

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/11/2018 9:48:05 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: Apprehension meets EPA reorg — U.N. Ambassador Zinke? — E15 faces legal hurdles

[View online version](#)

# MORNINGENERGY

10/11/2018 05:46 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

---

*With help from Anthony Adragna, Eric Wolff, Darius Dixon and Annie Snider*

**APPREHENSION AHEAD:** The Trump administration's plan to overhaul the makeup of its EPA — an effort sought to streamline the agency and press restart on its priorities — is being met with a sizable dose of skepticism, and even fear, among green groups and career employees. So far, as Pro's Annie Snider and Alex Guillén report this morning, the biggest changes have been to the 10 regional offices with a structure mimicking EPA headquarters in mind. And, overseeing the overall reorganization push is Chief of Operations Henry Darwin, who told POLITICO in a recent interview that "there is no denying the fact that EPA is not going to be getting bigger anytime soon."

Privately, many state regulators and even some EPA staffers say that some sort of bureaucratic overhaul is long overdue. But there's sufficient worry about the motives of an administration that prioritizes the well-being of coal and oil companies while dismissing the environmental problems like climate change. Congress would have to sign off on most changes, and last week Darwin told staff that the plan would head to the Hill soon.

"Reorganizations in and of themselves are not bad," said Joe Edgell, president of NTEU Chapter 280. "But it's important that the reorganization be geared toward improving our protection of human health and the environment, and at this point, we're not sure that all the changes we've heard about are designed with that goal in mind."

Some of the most significant changes may come at EPA's enforcement office, where Darwin says he wants to change how success is measured. Instead of focusing on how much the agency collects in fines, Darwin wants to prioritize quickly correcting violations of anti-pollution laws — an approach critics worry is too lax. "If corporations think the worst that can happen when they're caught is that they'll be hustled back into compliance, what's the incentive to stay in compliance in the first place?" asked Eric Schaeffer, executive director of the Environmental Integrity Project and a former civil enforcement chief at EPA. Read the story [here](#).

**IT'S THURSDAY MORNING!** I'm your host, Kelsey Tamborrino. Cheniere's Khary Cauthen was the first to correctly ID Warren Harding as the only president to appoint a former president to the Supreme Court — he chose William Taft. For today: Another presidential trivia question: Who is the only president with an MBA? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseyam](#), [@Morning\\_Energy](#) and [@POLITICOPro](#).

**YOUR 2018 MIDTERMS HQ:** The countdown is on. Policy professionals know the 2018 midterms represent more than keeping track of winners and losers. The outcome of high-stake contests could dramatically alter the course of policymaking across the country. Go beyond election night with POLITICO Pro's 2018 Midterms HQ. [Read More](#).

**POLITICO IS PARTNERING WITH THE MILKEN INSTITUTE** to bring a special edition of the POLITICO Pulse newsletter to the Milken Institute Future of Health Summit. Written by Dan Diamond, the newsletter will take readers inside one of the most influential gatherings of global health industry leaders and innovators as they tackle today's most pressing health challenges. The newsletter will run Oct. 23-24. [Sign up today](#) to begin receiving exclusive coverage on Day One of the summit.

## BEYOND THE BELTWAY

**MICHAEL CONTINUES DESTRUCTIVE PATH:** Hurricane Michael made landfall Wednesday with 150-plus mph winds, and is expected to continue to move inland today. Duke Energy projected Wednesday that the Category 4 storm could cause anywhere from

300,000 to 500,000 power outages this week in North Carolina and South Carolina, which are still reeling from last month's Hurricane Florence.

Approximately 42 percent of the current oil production and roughly 31 percent of the natural gas production in the Gulf of Mexico had been shut-in as of 11 a.m. Wednesday, the U.S. Bureau of Safety and Environmental Enforcement said. The agency also said four of the 17 dynamically positioned rigs operating in the Gulf were moved out of the storm's path as a precaution. As of 6 p.m. Wednesday, about 388,000 customers in Florida, 46,000 customers in Georgia, and 45,000 customers in Alabama reported electricity outages, according to EIA data, with those numbers expected to rise.

**MONIZ STEPS OFF SAUDI PROJECT AMID JOURNALIST PROBE:** The Trump administration is facing pressure to investigate the fate of Saudi journalist Jamal Khashoggi, a U.S. resident who hasn't been seen since he entered a Saudi consulate in Istanbul more than a week ago. The concern over Khashoggi, a Washington Post columnist, also led former Energy Secretary Ernest Moniz to drop his membership from the board of NEOM, a "smart city" project in the kingdom. "Given current events, I am suspending my participation on the NEOM board," Moniz said in a statement Wednesday, first reported by Axios. "Going forward, my engagement with the advisory board will depend on learning all the facts about Jamal Khashoggi's disappearance over the coming days and weeks."

It's worth noting that the Trump administration has a couple of important asks in front of the Saudis: It's counting on the kingdom to maintain steady supplies of crude oil on the global market in order to temper price spikes once the White House reimposes sanctions on Iran; and Energy Secretary Rick Perry has been pressing to secure a civil nuclear trade agreement with Saudi Arabia. DOE declined to comment on whether Khashoggi's situation had affected its initiatives.

**'Sweep it under the rug':** POLITICO's Nahal Toosi takes a look at the growing worries that the White House will not confront the Saudis here.

## THE WHITE HOUSE

**REPORT: ZINKE CONSIDERED FOR U.N.:** Interior Secretary Ryan Zinke is among the names being considered to replace outgoing U.N. Ambassador Nikki Haley, who resigned this week, according to a Fox News report based on two senior officials within the Trump administration. As POLITICO previously reported, Dina Powell, a Goldman Sachs executive and former deputy national security adviser, is the top candidate to replace Haley, but the White House has signaled it's open to others. Fox News reported that President Donald Trump was set to meet with Zinke on Wednesday about the U.N. role and other issues. In

the Oval Office on Wednesday, Trump told reporters, "We like Dina" but are also "looking at others" for the role. For what it's worth, Interior told ME it doesn't comment "on conversations that may or may not have occurred between the secretary and the president."

**Not a fan:** Alaska Republican Sen. Lisa Murkowski seemed cool to the prospect of Zinke leaving to become U.N. ambassador even as she expressed confidence in Deputy Secretary David Bernhardt leading the agency. "If you now have the secretary leave, you kind of have to start all over," she told reporters. But she praised Bernhardt for "working round the clock" and said "he's doing a good job there."

## ON THE HILL

**E15 OPPONENTS HAVE AN ALLY IN KAVANAUGH:** Trump's promise to boost ethanol sales will have to survive an inevitable court challenge once EPA formally issues an E15 waiver sometime next spring, and the oil industry does not think the agency has the legal authority it needs to follow through, Pro's Eric Wolff reported Wednesday. On that front, they appear to be in agreement with newly sworn-in Supreme Court Justice Brett Kavanaugh, who offered his views in a 2012 case over a partial waiver. The case was dismissed on procedural grounds, but Kavanaugh wrote a dissenting opinion arguing that EPA was misinterpreting the Clean Air Act. "On the merits, I conclude that the E15 waiver violates the statute," he wrote in Grocery Manufacturers Association v. EPA. "The waiver might be good policy; if so, Congress has the power to enact a new law permitting E15. But under the statute as currently written, EPA lacks authority for the waiver."

**Back to the Hill?** While legislative action has largely fizzled this year around reforming the Renewable Fuel Standard, oil refiners' allies on Capitol Hill say they are not giving up the fight. "We're still talking," Sen. John Cornyn (R-Texas) told reporters Wednesday. "We think we need a permanent solution and I also think there's a high likelihood there will be litigation, so we think a legislative solution would be more appropriate." A spokesman for Rep. John Shimkus, who has been leading the House effort on reform, said Shimkus hopes to get a draft bill out later this year.

**NOT AFRAID:** Murkowski's GOP colleagues have her back against any retaliation over her vote against Kavanaugh, and she said she isn't afraid of Trump's threat that she will "never recover" from that vote. "There are consequences to every vote that we take and I accept that, but I also cannot be driven out of fear of a tweet, of a reprimand, of a cross word," she told reporters. She smiled when asked if she'll run again — "I don't have to make that decision for four years" — but quickly added: "I know Alaska's political terrain better than [Trump] does."



**PIPE DREAMS:** Congress' approval this week of the America's Water Infrastructure Act of 2018 S. 3021 (115) provides some of the most significant updates to the country's drinking water management in two decades, but it's unlikely to fix some of the nation's most pressing water problems on its own. The bill will give lawmakers a major achievement to tout back home ahead of midterms, Annie reports, especially in districts grappling with drinking water problems, but some argue the bill is just a step in the right direction on solving water infrastructure problems.

**DOJ NOMINEE MOVES CLOSER:** The Senate will vote at 12:10 p.m. on the nomination of Jeffrey Clark to be assistant attorney general in charge of the Justice Department's Environment and Natural Resources Division, following a 53-44 cloture vote on Wednesday. Trump first nominated Clark, who is backed by industry groups, in June 2017.

**McNAMEE ENDGAME:** Republican senators on the Energy and Natural Resources Committee are hoping to swiftly confirm FERC nominee Bernard McNamee before year's end, in an effort to return the commission to full strength, Pro's Anthony Adragna reports. Democrats, meanwhile, warn of a coming battle over the selection, as they remain worried that adding McNamee to FERC will politicize the commission.

**NEWS TO ME:** Trump suggested aboard Air Force One on Tuesday he'd received "expedited approval" for a Texas pipeline project, but Cornyn told ME he wasn't sure which one the president was referring to even as he suggested more pipeline capacity is needed. "I do know they're flaring off and burning natural gas in the Permian Basin because they don't have the pipeline capacity to send it to market," he said. "I'm not familiar to what he was referring to, but there is a shortage of capacity to be sure."

## INSIDE THE AGENCIES

**WHEELER HEADS TO CALI:** Acting EPA Administrator Andrew Wheeler is in California's Central Valley today, where he'll appear at a press event with Republican Rep. Jeff Denham, who is facing one of the tightest re-election fights in the country. Denham has asked Wheeler to use EPA's authority to overturn a proposal by California's State Water Resources Board that would require more water to be reserved in key rivers for the benefit of endangered fish species and the detriment of farmers who dominate Denham's district.

**WHAT'S YOUR PLAN, STAN?** Michigan Democrats who were on the frontlines of the Flint lead contamination crisis are pressing EPA to account for the recent dismissal of the head of the agency's Office of Children's Health Protection. In a letter being sent to Wheeler this morning, Sens. Gary Peters and Debbie Stabenow, and Rep. Dan Kildee ask EPA to explain Ruth Etzel's abrupt removal as head of the office and how the office will operate now. "Going

forward, we need to ensure we have a strong national infrastructure to prevent a scenario like the Flint water crisis from ever happening again, and the Office of Children's Health Protection is key to this strategy," the lawmakers write. An EPA spokesman has said Etzel was placed on administrative leave while the agency investigates allegations about her leadership of the office.

**WHEELER ADDS 5 TO ADVISORY PANEL:** Wheeler appointed five new members to the Clean Air Scientific Advisory Committee, which advises the administrator on NAAQS issues: Mark Frampton, of the University of Rochester Medical Center; Sabine Lange, from the Texas Commission on Environmental Quality; Timothy Lewis, of the U.S. Army Corps of Engineers; Corey Masuca, of the Jefferson County Department of Health in Alabama; and Utah Department of Environmental Quality's Steven Packham.

## QUICK HITS

- "How Bloomberg embeds green warriors in blue-state governments," [RealClear Investigations](#).
- "Regs chief likely on short list for D.C. Circuit bench," [E&E News](#).
- "More than 1,500 Interior employees removed or reprimanded for harassment, misconduct," [The Hill](#).
- "James Murdoch in line to replace Elon Musk as Tesla chair," [Financial Times](#).
- "Trump administration seeks to deploy earthquake sensors faster," [The Wall Street Journal](#).
- "Toxic red tide could sicken people as Hurricane Michael pushes It ashore," [Bloomberg](#).

## HAPPENING TODAY

8:15 a.m. — Rice University's Baker Institute for Public Policy hosts [Global Energy Transitions Summit](#), Houston.

8:30 a.m. — The Center for Strategic and International Studies [discussion](#) on International Energy Agency report, "The Future of Petrochemicals: Toward a More Sustainable Supply of Plastics and Fertilizers," 1616 Rhode Island Avenue NW.

8:30 a.m. — National Academy of Sciences Polar Research Board briefing on "Understanding Northern Latitude Vegetation Greening and Browning," 500 Fifth Street NW.

10 a.m. — Senate Energy and Natural Resources Committee hearing to examine blackstart, 366 Dirksen.

4:30 p.m. — The National Academy of Sciences' LabX hosts " Two Scientists Walk Into a Bar," 3930 Georgia Avenue NW.

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/5/2018 9:48:40 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by Growth Energy: The nuclear power predicament — Race to replace Smith — D.C. Circuit will be all ears for RFS arguments

By Kelsey Tamborrino | 10/05/2018 05:45 AM EDT

*With help from Anthony Adragna, Eric Wolff, Alex Guillén and Annie Snider*

**PROGRAMMING NOTE:** *Morning Energy* will not publish on Monday, Oct. 8. Our next newsletter will publish on Tuesday, Oct. 9. Please continue to follow Pro Energy issues [here](#).

**THE NUCLEAR POWER PREDICAMENT:** Georgia's Vogtle nuclear project and the ensuing drama that unfolded last week is emblematic of a larger problem playing out for an industry that once hoped for a renaissance, Pro's Darius Dixon reports this morning. The debacle, though ultimately resolved, signaled for many that nuclear's once-bright future in the U.S. has dimmed. "I just can't imagine anyone building a large nuclear power plant in the United States going forward," said Bob Coward, who co-leads MPR Associates, an engineering and services company specializing in nuclear plants. "It's just too risky, too big, too complicated."

**For an industry turnaround to happen,** Darius writes, "nuclear power plant developers may need to abandon their reliance on the mega-projects and their huge costs and instead focus on new technologies, such as small modular reactors." The industry has long blamed much of the shift in generation on regional power markets, and warned against a reliance on natural gas due to potential sharp cost spikes. And while that argument has found some sympathetic ears in Congress and at the Energy Department, experts say Vogtle's own problems with long delays and cost overruns are not a sign of a healthy industry.

**"I don't know how you can call** this a win when you've got captive customers who are going to be paying for a plant that they didn't know was going to cost this much," said Katie Tubb, a policy analyst at the Heritage Foundation, adding that the drawn-out Vogtle saga had soured people on big nuclear projects. "There's no way that you can convince me that \$28 billion is a natural gas problem." Read [more](#).

**RACE TO REPLACE SMITH:** At least three Republicans are already voicing interest in replacing retiring Rep. Lamar Smith as the top GOP lawmaker on the House Science Committee. Most observers think Rep. Frank Lucas, the current vice chairman of the panel, has the edge given his strong relationship with senior party leaders and past experience as Agriculture Committee chairman, but he's also interested in the top spot on the Financial Services Committee. "I'm pursuing both in all fairness," he told POLITICO in a recent interview. "I have lots of options. I'm a lucky guy. We'll see how it all sorts out." Key to Lucas' calculus is Chief Deputy Whip Patrick McHenry (R-N.C.), who currently serves as vice chairman of the Financial Services panel. If he moved up in Republican leadership, that would open a slot for Lucas to be the top Republican on the committee, but a spokesman for McHenry said he wouldn't consider his next move until after the midterms.

**Other contenders:** Republican Reps. Dana Rohrabacher and Randy Weber are also both running to lead House Science Republicans. "What Rep. Lucas does has no bearing on Congressman Rohrabacher's future plans," a spokesman for Rohrabacher said. But the long-time California Republican must first survive a competitive re-election contest, and others watching the Science jockeying doubt House leaders would ever install "Putin's favorite congressman" in any high-profile position.

**A spokeswoman for Weber**, who is currently chairman of the subcommittee on energy, said he's enjoyed mentoring freshmen lawmakers on the committee and leading several delegations to national labs, and would build on those efforts if selected to lead Republicans on the panel. "Congressman Weber is both a team player and a leader," the spokeswoman said. "He enjoys the work Science Committee is tasked with and recognizes the important role the committee and its related jurisdictions play in our everyday lives."

**On the Democratic side**, Rep. Eddie Bernice Johnson plans to seek to retain her party's top spot on the panel next Congress. She would be in line to grab the gavel if Democrats flip the House in the midterms.

**GOOD FRIDAY MORNING!** I'm your host, Kelsey Tamborrino, and I'm back to close out the week after a few days in London. Big thanks to Ben, Annie and Darius for handling ME in my absence, and continuing to stump you all in trivia. Today's winner: Growth Energy's Chris Bliley knew the global oil company Shell started as an antiques dealer. I brought back today's question from England: Who is the shortest-reigning monarch in British history? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**PRESIDENT TRUMP SAYS A RED WAVE IS COMING ON ELECTION DAY.** Is he right, or will the tide turn blue? Compete against the nation's top political minds in the POLITICO Playbook Election Challenge, by correctly picking the winning candidates in some of the most competitive House, Senate and gubernatorial races in the country. Win awesome prizes and eternal bragging rights. Sign up today! Visit [politico.com/playbookelectionchallenge](https://politico.com/playbookelectionchallenge) to play.

**Pro subscribers:** Are you getting all the content you want? Make sure your keywords are up to date and customized via your settings page at <https://subscriber.politicopro.com/settings>.

**D.C. CIRCUIT WILL BE ALL EARS FOR RFS ARGUMENTS:** A panel of D.C. Circuit appellate judges today will hear yet another iteration of arguments over the Renewable Fuel Standard. The court has allowed an hour and 40 minutes to delve into the issues at stake, and if ME's experience is any guide, they will go over time. Round 1 will pit the National Biodiesel Board against EPA and the oil industry, represented by the American Petroleum Institute and the American Fuel and Petrochemical Manufacturers. NBB argues the annual blending requirement for biodiesel in 2017 should have been higher.

Round 2 will feature API and AFPM arguing that the corn-based ethanol requirement was too high, and Round 3 will feature the usual argument over whether the number of companies that must comply with the program should be expanded. As an added bonus round, the court will hear from a separate plaintiff, Alon Refining, on its own RFS issues.

**And in E15 news:** A bipartisan group of 20 senators asked President Donald Trump not to order EPA to expand sales of ethanol by allowing year-round sales of 15 percent ethanol fuel. In a letter sent Thursday, the group urged "a collaborative and transparent process with robust engagement on any RFS reform process." Trump is expected to travel to Iowa next week to make some sort of E15 announcement, though whether he will use the occasion to order EPA to allow year-round E15 sales remains up in the air.

**SAGE ADVICE:** The Forest Service will reveal proposed changes to sage grouse conservation plans across the Intermountain and Rocky Mountain regions today in the Federal Register. The publication of draft greater sage-grouse land management amendments and a draft environmental impact statement sets into motion a 90-day public comment period. According to the draft document, the proposed plans would cover sage grouse habitat in Idaho, Utah, Wyoming, Colorado and Nevada.

The Forest Service's "preferred alternative" proposal would make changes to an Obama-era plan concerning habitat management area designations, including "designating sagebrush focal areas as Priority Habitat Management Areas compensatory mitigation and net conservation gain."

**RESULTS ARE IN:** North Carolina Department of Environmental Quality said Thursday water samples taken near Duke Energy's L.V. Sutton plant in the aftermath of Hurricane Florence found "all metals below state water quality standards" in the Cape Fear River. The results echo previous statements from Duke that "water quality remains well within state permit standards." The agency also found a "slight elevation" of dissolved copper, "which could be a result of extreme flooding in the area," although it noted "copper levels were the same upstream, downstream and at the Sutton Lake breach."

**\*\* A message from America's ethanol producers and farm supporters at Growth Energy:** Farmers, consumers, retailers, and clean energy advocates agree - the EPA must lift outdated regulations limiting the sale of E15 fuel blends year-round. Higher ethanol blends will help revitalize rural communities and save consumers money. Learn more at <https://e15now.com> \*\*

**DEPARTED EPA R&D OFFICIAL LANDS AT PENTAGON:** Richard Yamada, the political appointee atop EPA's Office of Research and Development who left last month, has landed at the Pentagon. Yamada, who authored EPA's controversial science transparency policy proposal, now is working at the Defense Department's Strategic Capabilities Office, which looks for new uses for existing technologies. "Dr. Yamada will help SCO identify, demonstrate, and transition game-changing capabilities to the warfighter," said Army spokeswoman Lt. Col. Michelle Balanza.

**A LITTLE HELP HERE?** Several Republicans on the Senate Environment and Public Works Committee are urging acting EPA Administrator Andrew Wheeler to set clear rules for how states can use their Clean Water Act authority to veto infrastructure projects like pipelines and dams because of impacts to water quality. In a letter led by EPW Chairman John Barrasso (R-Wyo.) the lawmakers asked Wheeler to "determine whether new clarifying guidance or regulations are needed in light of recent abuses of the Section 401 process by certain states." Several states, including New York, have recently denied certifications for pipeline projects under the legal provision. Barrasso has sponsored legislation to limit states authority under the Clean Water Act, but a number of states, including those represented by the Western Governors Association, have opposed such moves.

**FOR YOUR RADAR:** The Senate will hold a procedural vote today on Brett Kavanaugh's Supreme Court nomination. If the vote is successful, a final vote on Kavanaugh could take place Saturday night at the earliest.

— Politically vulnerable North Dakota Sen. Heidi Heitkamp said Thursday she intends to vote against the nominee, leaving West Virginia Sen. Joe Manchin as the only remaining undecided Democrat. Republican leaders meanwhile insist they have the votes.

**Speaking of:** Internal polling from the Senate Leadership Fund — the top Republican Senate super PAC — has Manchin up 4 percentage points in his race against state Attorney General Patrick Morrisey. Campaign Pro's James Arkin reports Manchin has 47 percent to Morrisey's 43 percent among likely voters.

**CONGRATS!** Investigative journalist on the coal beat, Ken Ward Jr., was among the names awarded a MacArthur "genius grant" Thursday — a well-deserved honor for the Charleston Gazette-Mail reporter, one of the country's top energy and environment reporters whose coverage of mountaintop removal coal mining helped put the issue on the map. Ward was chosen because of his ability to reveal "the human and environmental toll of natural resource extraction in West Virginia and spurring greater accountability among public and private stakeholders," the MacArthur Foundation said. Ward told the Gazette-Mail the fellowship was an "incredible honor," adding it "shows the importance and value of the kind of journalism I believe in, and that most of us have been trying to do for decades here."

**ON TAP TODAY:** House Minority Leader Nancy Pelosi weighs in on Virginia's role in infrastructure and the creation of "good-paying green-collar jobs." The California Democrat will join Rep. Donald McEachin for a

roundtable discussion this afternoon with state Natural Resources Secretary Matthew Strickler, state legislators and other environmental officials in Richmond, Va., to discuss such topics.

**PRUITT DEFENSE FUND EMERGED LAST YEAR:** The legal defense fund set up to pay for former EPA Administrator Scott Pruitt's legal expenses was in the works in November — way before the ethical and financial scandals that slogged the administrator began trickling out, according to documents obtained by the Campaign Legal Center and shared with E&E News.

**Also of note:** Pruitt appears to have been subject to a bar complaint in Oklahoma for having sued EPA before leading it, E&E reports.

**MUSK TAKES TO TWITTER, AGAIN:** After Elon Musk agreed this weekend to step down as Tesla chairman, the tech billionaire tweeted Thursday a not-so-subtle jab at the SEC, POLITICO's Patrick Temple-West reports. "The Shortseller Enrichment Commission is doing incredible work. And the name change is so on point!" Musk tweeted, after he agreed to pay \$20 million for a tweet in August that said he had "funding secured" for a deal to take the electric car company private.

**MAIL CALL:** Members of the Congressional Safe Climate Caucus urged Wheeler on Thursday to reverse course on the agency's proposed Affordable Clean Energy rule — or at the very least allow for more public hearings and a longer comment period. The letter was signed by 50 members of the caucus, who say the rule would be detrimental to public health and climate change.

— **Investors and hedge fund managers** in a new letter today will call on GE's new CEO, Larry Culp, to "further scale back investment in and deployment of fossil fuel technologies and focus on clean technologies."

— **Democratic lawmakers** this week wrote to Wheeler and Office of Information and Regulatory Affairs Administrator Neomi Rao on EPA's cost-benefits analysis, expressing concern "that EPA is seeking to unfairly emphasize costs to industry and ignore benefits in its rulemakings."

## QUICK HITS

— "No free lunch for renewables: More wind power would warm U.S.," Associated Press.

— "Gas prices nearing highest levels in four years, adding to calls to repeal gas taxes," USA Today.

— "Senate quietly sends 'historic' FEMA reforms to Trump," E&E News.

— "For 8th year, Mass. named most energy-efficient state in the nation," MassLive.

— "Rick Perry warns of cyberattack risk, could come from 'some kid sitting in a basement,'" Washington Examiner.

## HAPPENING TODAY

9 a.m. — Veterans in Energy forum on supporting veterans transitioning from military life to careers in energy, Arlington, Va.

12:30 p.m. — The John Hopkins University School of Advanced International Studies discussion on U.S. offshore wind development, 1619 Massachusetts Avenue NW.

1 p.m. — The National Academies of the Sciences web briefing with Assistant Energy Secretary for the Office of Environmental Management Anne White.

2 p.m. — United States Energy Association [briefing](#) on "the role of distributed energy resources in Colombia," 1300 Pennsylvania Avenue NW.

## THAT'S ALL FOR ME!

**\*\* A message from America's ethanol producers and farm supporters at Growth Energy:** E15 fuel blends gives consumers a cleaner, more affordable option at the pump, offering up to 10 cents in savings on every gallon. Farmers, consumers, retailers, and clean energy advocates agree that the time has come to lift EPA regulations limiting the year-round sale of higher ethanol blends. President Trump has said a solution is "very close," but time is running out. U.S. farm income has plunged 47 percent over the last five years. That's why rural communities are rallying behind Growth Energy to get this important fix over the finish line and unleash America's vast renewable resources. Learn more at <https://e15now.com> \*\*

*To view online:*

<https://subscriber.politicopro.com/newsletters/morning-energy/2018/10/the-nuclear-power-predicament-362813>

## Stories from POLITICO Pro

### Southern Co. agrees to cover higher share of future Vogtle cost overruns [Back](#)

By Darius Dixon | 09/26/2018 05:51 PM EDT

Southern Co.'s Georgia Power agreed to cover a higher share of future cost overruns at the Vogtle nuclear project under the deal set today with its partners, according to its [SEC filing](#) issued this afternoon.

The agreement that kept alive the \$28 billion two-reactor project also removes a requirement that the three biggest partners — Southern Co., Oglethorpe Power and the Municipal Electric Authority of Georgia — vote to continue the project in the event of future cost overruns. That requirement prompted this week's negotiations, which had threatened to derail the project.

Southern also agreed to help the MEAG defray the costs of fending off lawsuits from the Jacksonville Electric Authority, which is trying to get out of a power purchase agreement with MEAG.

*To view online [click here.](#)*

[Back](#)

### Nuclear power's predicament: 'Too big, too complicated' [Back](#)

By Darius Dixon | 10/05/2018 05:00 AM EDT

A decade ago, the Vogtle nuclear project was the star of the industry renaissance that would herald a new wave of innovative reactors that would replace an aging fleet of power plants across the country.

But now, the latest near-death experience for Georgia Power's plant has some in the industry viewing the project in a different light — as a monument of nuclear's dim future in the U.S.



"I just can't imagine anyone building a large nuclear power plant in the United States going forward. It's just too risky, too big, too complicated," said Bob Coward, who co-leads MPR Associates, an engineering and services company specializing in nuclear plants.

The two-unit expansion at Vogtle had already suffered years of delays, massive cost overruns and the bankruptcy of its main contractor before it faced a revolt among its owners last week. That confrontation was resolved only when the Southern Co. utility subsidiary agreed to shoulder a larger share of any further cost overruns beyond its current \$28 billion price tag.

The deal enabled the new Vogtle reactors to avoid the fate of SCANA's V.C. Summer nuclear project in South Carolina, which was scuttled by its owners last year.

Between the problems at Vogtle and forecasts that more than a quarter of the country's existing nuclear plants will either close or lose money over the next three years, there's little optimism the sector will rebound soon. And for a turnaround to happen, nuclear power plant developers may need to abandon their reliance on the mega-projects and their huge costs and instead focus on new technologies, such as small modular reactors.

The industry has hinged much of its future on the eventual success of Vogtle, whose advanced AP1000 reactors were designed by Westinghouse to keep their cores cool even in the event of a power outage. But Westinghouse's bankruptcy raised more doubts about the viability of new nuclear power in the U.S. — even as the company started commercial operation of its first AP1000 reactor in China just days earlier.

"Summer and Vogtle were supposed to be the projects where, as an industry, we knocked it out of the park," Coward said. "They were supposed to reaffirm to all the people against us that 'my gosh, you shouldn't look at us that way.' The way it's played out is so unfortunate."

David Blee, head of the U.S. Nuclear Infrastructure Council, a coalition of companies working in the sector, said the tense Vogtle negotiations over the cost overruns had prompted "a lot of deep-breath-holding" because of the enormous implications for the future of nuclear energy.

"Clearly, the reason that Vogtle is important is that it's a beacon of advanced nuclear for the U.S. — that the U.S. is going to continue to lead — and also a critical international market signal," he said.

Ultimately, however, Blee felt the owners made the right call in moving forward. "It took a little longer than I thought but it ended with a very strong statement," he said.

The massive cost overruns have lifted the price of Vogtle above \$11,000 per kilowatt of capacity, according to Bloomberg News, a figure that's far higher than solar, wind and natural gas-fired power plants, which have seen their share of the U.S. power market rise at the expense of nuclear and coal.

The nuclear industry has blamed much of the shift in generation on the regional power markets, whose rules they contend are undervaluing their technology. And if utilities rely too heavily on natural gas, the industry warns, they could face sharp cost spikes if the current low gas prices suddenly jump.

That argument has found some sympathetic ears in Congress — as well as at the Energy Department, where Secretary Rick Perry has pushed to protect both nuclear and coal "baseload" power plants from the market forces that are driving many facilities into retirement. And just this week, President Donald Trump nominated a former Westinghouse engineer, Rita Baranwal, to head up DOE's nuclear office.

Last summer, DOE announced plans to add \$3.7 billion to its loan guarantees for Vogtle, so long as the owners kept the project going, bringing its aid to at least \$12 billion for the reactors. And it has touted the project's "far-

reaching implications," which it said in a letter last month included "our national security and the viability of the American commercial nuclear industry in the international markets."

Despite the nuclear industry's complaints about the electricity markets and the competition from cheap natural gas, Vogtle's own problems with long delays and cost overruns are not a sign of a healthy industry, even though its developers agreed to continue its construction, according to experts.

"I don't know how you can call this a win when you've got captive customers who are going to be paying for a plant that they didn't know was going to cost this much," said Katie Tubb, a policy analyst at the Heritage Foundation, adding that the drawn-out saga had soured people on big nuclear projects. "There's no way that you can convince me that \$28 billion is a natural gas problem."

Coward, who recently headed the American Nuclear Society, said he was optimistic the industry would rebound, but it would need to adapt to changing circumstances. Looking at Vogtle, he argued that the project has been weighed down by decisions made a decade ago, like the sequence of how components were being built, the structure of project teams and where certain modules were going to be built.

"I'm confident that there's a future for nuclear, but the only thing about the picture that I'm confident of is that it doesn't look like the past," he said. "The problem that nuclear has today is not that it's nuclear, it's simply that everything nuclear is a mega-project and society as a whole seems to have found a way to be unsuccessful doing any mega-projects."

Experts said the situation in Georgia should inspire the industry to focus on speeding development of small modular reactors that can be deployed at 300 megawatts instead of the 1,100-megawatt slated for Vogtle.

"All of the different forces that are pushing companies away from making gigantic capital expenditures like this are very real," said Rich Powell, executive director of the ClearPath Foundation, a conservative group that promotes low-carbon energy. "The idea that we're going to have more gigawatt-scale anything built in the United States is just an artifact from another time."

Vogtle's troubles should be "another accelerant to double down" on small reactors, said Blee, and for developers to bring their products to market in a way that they're competitive with natural gas.

Nuclear power backers also say the Trump administration's unequivocal support for nuclear power has earned it allies among the industry and its boosters.

"This administration is right up there with the second Bush administration as the strongest ever supporters of this technology," Powell said. "If the second Bush administration attempted to engineer the renaissance, these folks are trying to get the industry and technology through a more troubled time."

While the Trump administration is trying to maintain a nuclear workforce that can help service the Navy's nuclear fleet, it's also hoping to maintain a foothold for the U.S. industry to build nuclear reactors overseas to retain some influence on nuclear nonproliferation issues.

But right now, the U.S. is outgunned on the international market.

The U.S. has been unsuccessful in securing bilateral civilian nuclear trade deals, called 123 agreements, with the governments of Egypt, Jordan and Saudi Arabia, but all three countries have signed up for reactors built by Russia's state-run firm ROSATOM. The 123 agreements setup a framework of trading nuclear technology without making specific export commitments, and UAE, which has signed one with the U.S., opted to buy reactors from South Korea instead.

Perry has been pressing for a nuclear development deal with Saudi Arabia, and Vogtle is a piece of that pitch.

"Internationally, these programs are being developed by sovereign governments and when they see the U.S. government stepping up with loan guarantees and old-fashioned, positive, jaw-boning that's attractive to them in the sense that the U.S. government is vested with the future of Vogtle," Blee said.

*To view online [click here](#).*

[Back](#)

## **Lamar Smith won't seek reelection to House [Back](#)**

By Darius Dixon | 11/02/2017 03:40 PM EDT

Rep. Lamar Smith, the controversial chairman of the House Science Committee, announced Thursday that he will leave Congress when his term ends in 2018.

The 16-term Texas Republican is one of the longest-serving members of the state's congressional delegation, and has often tussled with academics, scientific organizations and government regulators since become Science chairman in 2013. In a letter to constituents, Smith said there were several reasons he is choosing not to seek reelection next year, including that he will complete his term as chairman of the House Science Committee. Smith said he is looking forward to spending more time with his grandchildren, and "I hope to find other ways to stay involved in politics."

This year, Smith has been instrumental in [resurfacing](#) old allegations about Russian efforts to fund activists opposed to oil and gas drilling, an effort critics say is designed to distract from controversy over whether any members of President Donald Trump's campaign were involved with Russia's efforts to disrupt last year's election. On Tuesday, he [wrote](#) to executives at Facebook, Twitter and Alphabet requesting information about Russian purchases of anti-fracking ads on social media platforms.

Smith said he looks forward to staying busy.

"With over a year remaining in my term, there is still much to do," he wrote in the letter Thursday. "There is legislation to enact, dozens of hearings to hold, and hundreds of votes to cast."

During the Obama administration, officials at the National Science Foundation, the Environmental Protection Agency and the Energy Department all found themselves in Smith's cross-hairs. The 69-year-old lawmaker, who previously chaired the House Judiciary Committee, also made regular attempts to expand his committee's jurisdiction over cybersecurity to launch far-reaching probes targeting the New York Federal Reserve, Healthcare.gov and the companies that provided software to Hillary Clinton's email server.

He antagonized the broader science community when he touted a number of NSF grants as "frivolous" and sought to restructure how different areas of science were funded by the federal government.

Smith has also used his perch on the Science panel to undermine the Obama administration's efforts to address climate change, elevating several global warming skeptics to question the agreement among the vast majority of climate scientists that humans are the main driver of the phenomenon.

Smith's 21st District, which takes in parts of Austin and San Antonio as well as rural counties to the west, has been solidly Republican in the past. Mitt Romney won nearly 60 percent of the vote there in 2012.

But Trump got 52 percent to Hillary Clinton's 42 percent in the district in 2016, and several Democrats saw an opportunity to challenge Smith before he announced his retirement. One Democrat, veteran Joseph Kopser, outraised Smith in the third quarter and has over \$219,000 in his campaign account.

"The people of Texas are losing a dedicated public servant and skilled legislator, but we are confident they will select another conservative Republican like Chairman Smith who shares their values," said National Republican Congressional Committee Chairman Steve Stivers (R-Ohio).

Smith' relationship with Rep. Eddie Bernice Johnson, the top Democrat on the Science Committee and a fellow Texan, has been rocky for years. Both lawmakers are soft-spoken and have served together in Congress for more than two decades. But Johnson has accused Smith of bringing "disrepute to our institution" and turning his panel into "little more than an arm of the Republican National Committee," particularly when he started issuing subpoenas in 2013, the first in 21 years.

Smith has subpoenaed the EPA for health data used for clean air regulations, and the National Oceanic and Atmospheric Administration under the suspicion that a scientific paper on climate change was mishandled.

*Scott Bland and John Bresnahan contributed to this report.*

*To view online [click here](#).*

[Back](#)

**Putin's favorite congressman** [Back](#)

By Isaac Arnsdorf and Benjamin Oreskes | 11/23/2016 05:03 AM EDT

This summer, Rep. Dana Rohrabacher used information he received directly from the Russian government to promote one of President Vladimir Putin's top priorities: removing the name of the martyred Russian lawyer Sergei Magnitsky from a global anti-corruption law.

Multiple independent investigations blamed Russian officials for the death in jail of Magnitsky, a whistle-blowing attorney who allegedly uncovered evidence of a \$230 million theft by officials of the Putin regime.

In 2012, Congress banned officials allegedly involved in the Magnitsky murder from visiting the U.S. and from using its banking system. Now, lawmakers want to expand the act to hold officials in other countries accountable for human-rights atrocities.

Putin, however, considers the Magnitsky Act an international outrage and terminated U.S. adoptions of Russian children in retaliation. A Putin associate implicated in the case has also unleashed a furious lobbying campaign against the new bill, seeking to remove the Magnitsky name.

Putin's top congressional ally is Rohrabacher, the 69-year-old chairman of the House subcommittee on Europe and Eurasia. A former Cold Warrior, Rohrabacher has since morphed into a supporter of better relations with Putin's Russia, for reasons similar to those articulated by President-elect Donald Trump.

Indeed, Rohrabacher's sympathy for Putin seems to have resonated with some of Trump's aides, as the 14-term California congressman — an outspoken Trump enthusiast before the election — has been mentioned as a dark-horse candidate for secretary of state.

"Some people seem to be looking at me, that's all I know," Rohrabacher said of the rumors.

But the story of the Russian government's tireless efforts to co-opt Rohrabacher, and gain his support for removing the Magnitsky name from the global anti-corruption bill, illustrates just how deeply Putin's influence is being felt in Washington on the cusp of the Trump era.

On a trip to Moscow, Rohrabacher met with a close Putin confidant and accepted documents from Russian prosecutors claiming Magnitsky wasn't a whistleblower, but a thief. Back in Washington, Rohrabacher's senior aide escorted anti-Magnitsky lobbyists to meet other lawmakers and entered testimony endorsing Russia's version of events into the official congressional record.

Rohrabacher, for his part, says he was merely seeking to find the truth in an international dispute and to avoid gratuitously demonizing Russia.

"I get pushback whenever I'm asking for an honest assessment of a situation in which Russia is being vilified," he told POLITICO. "I don't know where this is all coming from but there's clearly a herculean effort to push us back into a cold war."

For Rohrabacher, who often boasts about having literally gone to Afghanistan and fought the Soviets alongside the Afghan mujahedeen, the role of pro-Russia congressman is a dramatic change. He was a White House speechwriter for President Ronald Reagan, and in the 1990s he famously arm-wrestled Putin, then a lowly deputy mayor, in a Washington dive bar.

Ever since, Rohrabacher's transformation from Cold Warrior to Kremlin champion has puzzled colleagues. In Rohrabacher's telling, Americans have gratuitously antagonized Russia instead of seeking common ground against greater threats from China and Islamic terrorism. That worldview has made him a fixture in Russian state media.

"'Stupidity hurts us all': US decision makers ignorant about Russia -- Congressman Rohrabacher," blared a headline in RT, the state-controlled news outlet.

"Rohrabacher, who comes from this Reganite background, has totally been turned around," Anders Aslund, a senior fellow at the Atlantic Council, a non-partisan think tank, said. "Rohrabacher has been on this soapbox for many years and it's considered outside the norm."

Last April, Rohrabacher traveled to Moscow on an official congressional trip with four other members of Congress and two staffers. Rohrabacher and his senior aide, Paul Behrends, met privately with Vladimir Yakunin, a Putin confidant whom the Treasury Department blacklisted in 2014 to punish Russia for invading Ukraine, according to an itinerary reviewed by POLITICO and confirmed by Rohrabacher.

There was nothing illegal about talking to Yakunin, but the rest of the delegation steered clear. At this meeting, one of the topics Yakunin, Rohrabacher and Behrends discussed, according to Rohrabacher, was the Magnitsky affair.

Later that day, Rohrabacher rejoined the rest of the delegation to meet with Konstantin Kosachev, chairman of the International Affairs Committee in the Federation Council (Russia's counterpart to the Senate). At that meeting, Kosachev urged Rohrabacher to consult with Russian prosecutors about the Magnitsky affair. Rohrabacher did and received a document questioning Magnitsky's story, Rohrabacher told POLITICO.

"[Kosachev was] the one who asked, would I accept information from the prosecutors and look at what they had to say on this particular case," he said.

The document, which is marked "Confidential" and was obtained by POLITICO, blamed Magnitsky and his employer, an American-born investor named Bill Browder, for orchestrating the tax fraud. The letter proposed that if more members of Congress followed Rohrabacher's lead in questioning the Magnitsky story, Russia would reconsider its ban on American adoptions, which Putin imposed in retaliation for the Magnitsky Act in 2012.

The document pointed Rohrabacher to supporting evidence in a New York court case. In 2013, federal prosecutors accused a Russian holding company of laundering \$14 million stolen in the scheme that Magnitsky uncovered. The company's owner, Denis Katsyv, is the son of a former transport minister and business associate of Yakunin's.

In February, Katsyv and two other Russians formed a nonprofit organization in Delaware that purported to support restarting Russian adoptions and hired a lobbyist named Rinat Akhmetshin, lobbying and incorporation records show. Akhmetshin visited Rohrabacher's office in May on the day before the House Foreign Affairs Committee was scheduled to consider the new global human-rights bill named for Magnitsky.

Akhmetshin recruited Ron Dellums, a former Democratic congressman from California, lobbying records show. Dellums, reached by phone, distanced himself from the campaign. "I'm not doing that any longer. You're invading my privacy," he said, and hung up.

Behrends, the Rohrabacher aide who traveled with him to Moscow, led Akhmetshin and Dellums around the House offices to seek out top committee Democrats Eliot Engel and Gregory Meeks, according to two people with direct knowledge of the interactions. It's highly unusual for a staffer to shepherd around a lobbyist, especially one for foreign interests, current and former congressional staffers told POLITICO. Behrends declined to comment.

Staffers and Foreign Affairs Committee colleagues repeatedly tried to show Rohrabacher the contradictions and distortions in the case against Magnitsky, Rohrabacher acknowledged. But he remained skeptical.

Akhmetshin's appearance caught the attention of Kyle Parker, a House Foreign Affairs Committee staffer who was a driving force behind the original Magnitsky Act. Parker blasted out an email to colleagues warning them that Akhmetshin used to spy for the Soviets and "specializes in active measures campaigns" (an old Cold War term for propaganda, disinformation and other dark ops), according to an e-mail obtained by POLITICO. Parker declined to comment on the email. Akhmetshin acknowledged having been a Soviet counterintelligence officer, but said he was drafted into the job.

"Just because I was born in Russia doesn't mean I am an agent of [the] Kremlin," Akhmetshin told POLITICO.

At the markup of the Global Magnitsky bill, on May 18, Rohrabacher proposed an amendment to strike Magnitsky's name. He cast doubt on Browder's account of the Magnitsky story and offered up the Russian version he had received in Moscow.

"It is possible either one of those explanations could be true, but we don't know enough," he said at the meeting. "What we want to base this on is truth, not just some gratuitous slap at Russia."

A procession of Rohrabacher's colleagues spoke out against him.

"I felt listening to him like I was watching RT, Russian Television," Gerald Connolly (D-Va.) said.

"There are really no doubts about the veracity of the case of Sergei Magnitsky," David Cicilline (D-R.I.) said.

But Rohrabacher insisted. "This is a murky issue," he said. "It is not cut and dry. And I know that over and over again it has been repeated that it is cut and dry and it is not."

"The downside of this, let me be very clear about this," he continued, "the Russians feel it is a gratuitous slap just at them. And because of that, they have changed a law in Russia dealing with Americans' ability to adopt children, Russian children."

The committee voted down Rohrabacher's amendment and approved the bill by voice vote. But the seed of doubt had been planted.

"That's what the Russians want: It's muddying the waters," a Hill source said.

The lobbying campaign continued into June: Katsyv's organization hired another reporter-turned-consultant named Chris Cooper to organize a Washington screening of a new documentary called "The Magnitsky Act — Behind the Scenes." The director, Andrei Nekrasov, previously had a reputation as a Putin critic, but his latest film tells the story the Kremlin wants known, the same one described in the documents given to Rohrabacher. (Nekrasov told POLITICO the documentary was funded by Northern European film organizations and television networks. Cooper declined to comment.)

The day after the screening, the House Foreign Affairs Committee held a hearing on U.S.-Russian relations. Nekrasov told POLITICO that Behrends, the Rohrabacher staffer, asked him to testify but later withdrew the invitation.

After the hearing, Nekrasov and Akhmetshin dined with Rohrabacher and Behrends at the Capitol Hill Club.

Behrends asked Nekrasov to submit a polished statement, the filmmaker told POLITICO.

Nekrasov's testimony appeared in the hearing's official transcript, as submitted by Rohrabacher's office. It read: "To the best of my professional abilities to investigate the documents and to interview the people with direct knowledge of those events I came to conclusion that Mr. Magnitsky was not a whistleblower: there is no evidence of him uncovering any fraud, or accusing the police of committing it."

In Moscow, it was a propaganda coup trumpeted in state media. In Washington, it was a sign of pro-Russian interests becoming more assertive, in the same year that U.S. intelligence officials accused Russia of meddling in the presidential election. After Trump's victory, Russian influence efforts will not be easily marginalized.

"The Russians never give up if something is really bothering them and clearly Magnitsky is really bothering them and they don't want added attention to it," said William Pomeranz, deputy director of the Kennan Institute for Advanced Russian Studies of the Woodrow Wilson Center. "We just don't know yet the willingness of Republicans to oppose Trump's Russia policy."

*To view online [click here](#).*

[Back](#)

**Trump slated to visit Iowa for E15 announcement [Back](#)**

By Eric Wolff | 09/28/2018 11:39 AM EDT

President Donald Trump is slated to visit Council Bluffs, Iowa, on Oct. 9 to direct EPA to expand sales of ethanol, according to two ethanol and oil industry sources.

The plan for a pre-election trip to boost Iowa Republicans is tentative at this point, and it was not immediately clear what form the president's direction permitting year-round sales of 15 percent ethanol-gasoline blends would take, the sources said.

The new policy may be paired with placing limits on trades in the credits used to comply with the Renewable Fuel Standard, the oil industry source said. Such trade limits may reduce speculation by investment banks.

The president has repeatedly promised to allow year-round sales of E15 — a top priority for corn farmers and biofuels producers — but his administration has been slow to enact such a policy. In July, the president said EPA was "very close" to issuing an E15 waiver; the following week, acting Administrator Andrew Wheeler declined to endorse that plan.

The oil industry source said Trump's visit is meant to boost the campaign of Iowa's Republican Gov. Kim Reynolds, who faces a tough race against Democratic businessman Fred Hubbell. Republican Rep. David Young, who represents the area, is also in a competitive race against Democrat Cindy Axne. Council Bluffs is also home to Southwest Iowa Renewable Energy, an ethanol producer.

Neither the EPA nor the White House responded to a request for comment.

Trump would be handing a victory to corn farmers and ethanol producers who have grown impatient with the president's repeated assurances.

The oil industry will vigorously oppose any efforts to expand ethanol sales, including a possible legal challenge. It also does not support the trade limits idea. It has launched an all-fronts ad campaign, including television ads and blog posts, and it has encouraged other associations to join in the battle.

"The president has given [EPA] a directive that is win-win. ... EPA has failed the president in this regard," said Frank Macchiarola, downstream director for the American Petroleum Institute, an oil and gas trade association. "We do know there's time; they can step back from this. "

*To view online [click here](#).*

[Back](#)

## **McConnell sets key vote on Kavanaugh nomination for Friday [Back](#)**

By John Bresnahan, Elana Schor and Burgess Everett | 10/03/2018 10:24 AM EDT

The Senate is set for a critical Friday vote on Brett Kavanaugh's Supreme Court nomination, teeing up a final vote by the weekend, with an FBI report on the sexual misconduct allegations against the judge expected in the chamber by Thursday morning.



Majority Leader Mitch McConnell (R-Ky.) on Wednesday night set up the critical procedural vote for Friday, saying on the floor that the Senate "will receive" the results of the FBI's time-limited inquiry into the claims against President Donald Trump's high court pick in the coming hours.

Senators are expected to view that report from the FBI under restricted parameters throughout the day Thursday, with one copy of that report available for access in a secure facility in the Capitol basement. Members of both parties, as well as a handful of staff, are expected to alternate hour-long viewing time slots, a Democratic aide said.

Senate Judiciary Committee Chairman Chuck Grassley (R-Iowa) tweeted early Thursday morning that the Senate had received the FBI's additional investigation, outlining how the materials would be made available to lawmakers and staff. He wrote that the bureau's report would be shared following parameters for a "loan agreement" of Executive Branch material to the Senate set out in a 2009 agreement between the Obama Administration and then-committee Chairman Patrick Leahy (D-Vt.).

Grassley noted that Sens. Dick Durbin (D-Ill.) and Dianne Feinstein (D-Calif.), who is now the Judiciary Committee's ranking member, were on the committee at the time and did not object to the 2009 agreement.

White House spokesman Raj Shah also tweeted a statement in the early hours of Thursday morning, arguing senators have had ample time to review the material and noted Kavanaugh has already undergone several background investigations.

"This is the last addition to the most comprehensive review of a Supreme Court nominee in history, which includes extensive hearings, multiple ... committee interviews, over 1,200 questions for the record and over a half million pages of documents," Shah wrote.

The FBI has not interviewed Kavanaugh's initial misconduct accuser, Christine Blasey Ford, according to a member of her team, nor Kavanaugh — a controversial move that has angered Democrats and may yet alienate some key Republicans. Through her lawyers, Ford offered Wednesday to give the FBI therapist notes and information about her polygraph test that Grassley has requested, if she is interviewed.

"We are profoundly disappointed that after the tremendous sacrifice she made in coming forward, those directing the FBI investigation were not interested in seeking the truth," Ford's lawyers said in a statement late Wednesday night.

Ford alleges that Kavanaugh sexually assaulted her while they were both in high school in 1982, an explosive charge that's at the heart of the scandal surrounding the Supreme Court nominee. Another Kavanaugh accuser, Deborah Ramirez, alleges that the federal appeals court judge exposed himself during a party when they were both students at Yale University.

Kavanaugh has vehemently denied the allegations from both women. The brief FBI probe was designed to look into the charges.

On Wednesday night, Durbin sent a letter to Grassley asking for the Judiciary Committee to correct two tweets that claimed previous background checks on Kavanaugh contained no issues of sexual misconduct or alcohol abuse.

Asked what more he could say about it, Durbin replied: "Nothing."

"The Republican staff tweets are inaccurate," Durbin said Wednesday night in an interview. When pressed about the implication of alcohol or sexual misconduct, he replied: "I can't say anything. I'll tell you they're inaccurate and I don't think they should have put them out."

Republicans defended the tweets in question.

"The committee stands by its statement, which is completely truthful. More baseless innuendo and more false smears from Senate Democrats," Judiciary panel Republicans said in a tweet.

If Friday's expected procedural vote on the nomination is successful, a final vote on Kavanaugh could take place Saturday night at the earliest. Senate Majority Leader Mitch McConnell is eager to install Kavanaugh onto the court quickly, given that its new term just began.

McConnell denied a request from Senate Minority Leader Chuck Schumer (D-N.Y.) for an FBI briefing for all senators, calling it "unprecedented and irregular" and suggested Democrats would just use it as a pretext to delay the nomination. That means senators will be limited to the raw information of an updated FBI background investigation of Kavanaugh, leaving them to draw their own conclusions.

Grassley said earlier Wednesday that giving senators two days to view the document before they vote is "ample time." Democrats, however, howled in consternation over constraints placed upon their access to the materials as well as on the abridged nature of the FBI inquiry — which appears to have delved only tangentially into Kavanaugh's drinking habits and whether he may have misled senators about them during testimony last week.

GOP Sens. Jeff Flake (Ariz.), Susan Collins (Maine) and Lisa Murkowski (Alaska), asked for a one-week delay in the Kavanaugh nomination so the FBI could review the Ford and Ramirez allegations. GOP leaders agreed to that delay when it became clear that they could muster 50 votes to press forward with the nomination.

Flake said on Wednesday afternoon that he's comfortable voting as long as he has the FBI report beforehand.

In an extraordinary session, Ford testified for four hours before the Senate Judiciary Committee last Thursday. Grassley and other panel Republicans have said they found her testimony credible and believe she was sexually assaulted, yet they doubt Kavanaugh was involved.

With so much at stake, President Donald Trump and other Republicans backing Kavanaugh are stepping up their attacks on Ford, whose sexual abuse allegations are at the heart of the scandal.

But the harsh criticism of Ford from Trump and Kavanaugh supporters could backfire, alienating the handful of undecided senators who control the fate of Kavanaugh's nomination. Flake said Trump's remarks at a Tuesday rally were "kind of appalling." Collins joined Flake in pushing back on the president, saying Wednesday that Trump's comments are "just plain wrong."

Even Kavanaugh and Trump's closest allies weren't happy with the remark.

"There's a lot of time expiration in memory here. I think it would have been better left unsaid," said Sen. Orrin Hatch of Utah, a strong GOP defender of Kavanaugh's.

The shift in tactics is part of an effort to undermine Ford's credibility while the Senate awaits the FBI report. Last week's extraordinary Judiciary Committee hearing featuring Ford and Kavanaugh captivated the nation, and since then, Kavanaugh supporters have questioned her version of events and personal integrity.

On Tuesday night, Trump openly mocked Ford during a political rally, a move that was harshly criticized by Democrats.

"Thirty-six years ago this happened. I had one beer, right? I had one beer," Trump taunted Ford during a rally for GOP Sen. Cindy Hyde-Smith of Mississippi. Trump said Kavanaugh — not Ford — is the real victim in this whole episode.

"How did you get home? I don't remember. How'd you get there? I don't remember. Where is the place? I don't remember," Trump said, to cheers from the crowd. "But I had one beer. That's the only thing I remember."

And on Wednesday, pro-Kavanaugh forces circulated a redacted statement purportedly from an ex-boyfriend of Ford that says she never mentioned Kavanaugh during the six-year relationship, which ended in 1998. Ford testified to the Senate Judiciary Committee last week that she told no one of the alleged sexual assault by Kavanaugh until 2012.

"I first met Christine Blasey (now Dr. Christine Blasey Ford) in 1989 or 1990 in California. From 1990-91, I was just friends with Ford. From approximately 1992 to 1998, I was in a relationship with Dr. Ford," the ex-boyfriend stated. "I found her truthful and maintain no animus towards her."

The ex-boyfriend added: "During our time dating, Dr. Ford never brought up anything regarding her experience as a victim of sexual assault, harassment or misconduct. Dr. Ford never mentioned Brett Kavanaugh."

The former boyfriend — who has not spoken to Ford since 2002 — claims she had helped another friend prepare for a polygraph exam. Ford's lawyers have submitted results from a polygraph to support her allegations against Kavanaugh, and Ford told the Senate Judiciary Committee under oath last week that she has never advised anyone on taking a polygraph.

Ford stands by her testimony last week, according to a member of her team. A source close to her said the California-based professor "is not going to get into a tit-for-tat."

Ford's team did, however, release a response from the friend cited in her ex-boyfriend's statement, who flatly denies his claims. "I have NEVER had Christine Blasey Ford, or anybody else, prepare me, or provide any other type of assistance whatsoever in connection with any polygraph exam I have taken at any time," Monica McLean said in her response.

Republicans on the Judiciary panel also have suggested that Ford's lawyers may have violated American Bar Association standards by neglecting to inform her of Grassley's offer to fly committee staff out to her in California, should she have opted not to testify. Ford told senators last week that "it wasn't clear" if Grassley himself would have been able to travel west to speak with her.

But a member of Ford's team said that no such deliberate miscommunication took place: "Dr. Ford's legal team advised her of all the options the committee offered her. She chose to testify before the Senate Judiciary Committee."

*Matthew Choi contributed to this report.*

*To view online [click here](#).*

[Back](#)

**Heitkamp to vote 'no' on Kavanaugh [Back](#)**

By Elana Schor | 10/04/2018 02:23 PM EDT

Sen. Heidi Heitkamp (D-N.D.), one of her party's most politically vulnerable incumbents, will vote against Brett Kavanaugh's Supreme Court nomination.

Heitkamp is trailing her reelection challenger, pro-Kavanaugh Rep. Kevin Cramer (R-N.D.), with just 32 days remaining until the midterm elections. That intense political pressure on Heitkamp — as well as her vote last year for President Donald Trump's first Supreme Court nominee, Justice Neil Gorsuch — had heightened GOP hopes of winning her vote on Kavanaugh.

But the North Dakotan specifically cited Christine Blasey Ford's testimony against Kavanaugh last week as a key factor in announcing her decision to oppose Kavanaugh on Thursday.

"When I listened to Dr. Ford testify, I heard the voices of women I have known throughout my life who have similar stories of sexual assault and abuse," Heitkamp said, citing her past work with abuse survivors as the attorney general of her state.

"Our actions right now are a poignant signal to young girls and women across our country. I will continue to stand up for them," Heitkamp said.

Her announcement leaves Sen. Joe Manchin (D-W.Va.) as the only remaining undecided Democrat on Kavanaugh's nomination as it nears a pivotal Friday test vote. Sen. Joe Donnelly (D-Ind.), who also voted for Gorsuch last year, came out against Kavanaugh last week.

Republicans in Heitkamp's home state criticized the move.

"Heidi Heitkamp just failed North Dakota, and voters know it. This race is now between a candidate who will be a voice for North Dakota and another candidate who politicizes every issue and staunchly opposes President Trump at every turn," Jake Wilkins, spokesman for the North Dakota GOP, wrote to reporters.

Cramer took heat from Heitkamp's campaign last month for saying that Kavanaugh would be disqualified from the high court if it was proven he lied about Ford's assault allegations, not necessarily because of the alleged sexual misconduct itself. But he remains in the lead in their midterm matchup, with one recent poll showing a 10-percentage-point advantage for the Republican.

*To view online [click here](#).*

[Back](#)

**GOP leaders all but guarantee Kavanaugh confirmation** [Back](#)

By Burgess Everett and Elana Schor | 10/04/2018 06:33 PM EDT

Republican leaders insist they don't speak for the three GOP holdouts, but they sure talk like they've already won the battle for Brett Kavanaugh's confirmation.

The confidence was on open display as the party's chief vote counter, speaking at a news conference Thursday, all but guaranteed that Kavanaugh will clear a procedural hurdle on Friday and be confirmed a day later. He and other top Republicans had reason to cheer, after Sens. Jeff Flake of Arizona and Susan Collins of Maine gave

encouraging early remarks about the FBI's much-anticipated Kavanaugh report, enough to seal the confirmation if their statements translate into votes.

Most Republicans view that FBI inquiry as essentially exonerating Kavanaugh of two women's allegations of sexual misconduct. They don't want to get out ahead of Collins, Flake and Sen. Lisa Murkowski (R-Alaska), but believe the trio's main concerns about the nominee have now been addressed.

Standing alongside fellow Judiciary Committee members, Senate Majority Whip John Cornyn (R-Texas) referred to the judge's confirmation as a foregone conclusion. He told reporters the Senate would put an end to "this circus-like atmosphere" this weekend when it votes "to finally confirm this good man to this important position."

Asked in a later interview whether he has the votes, Cornyn said only: "I'm optimistic. I'm going to let senators make their own announcements, but I'm optimistic we'll get there."

"There were two stipulations by some of our members. One was they wanted to hear from Dr. Ford. And secondly, they wanted to do this supplemental background investigation. We did that. It turned up no new information," Cornyn added, describing himself as "very pleased" with the reaction on Thursday.

"The three that matter? Well, I'm sensing we're in a good place. This supplemental investigation checked all the boxes and satisfied the concerns they had about talking to more people," said Sen. John Thune of South Dakota, Cornyn's presumptive successor as party whip. "I feel pretty good about where we are." And asked how he was feeling, Senate Majority Leader Mitch McConnell (R-Ky.) gave nothing away: "OK," he said as he strode away from the news conference.

The vote could even drag into Sunday if Republican leaders need Sen. Steve Daines (R-Mont.). He will attend his daughter's wedding in Montana on Saturday, according to his spokeswoman Katie Schoettler. Daines supports Kavanaugh but is intent on walking his daughter down the aisle.

But that will matter only if Friday's procedural vote is tied; otherwise, GOP leaders won't need him if Kavanaugh gets 51 votes or more. And even if the party needs Daines, McConnell could hold the vote open for hours for him to get back and confirm the judge.

But Republicans still might be getting a tad ahead of themselves, given the independent streaks that the undecided Republicans have flashed in the past.

Flake is a frequent critic of President Donald Trump and seems to be thinking increasingly about his legacy as he enters retirement. Collins and Murkowski are the last true GOP moderates in the caucus, supportive of abortion rights and opposed to repealing Obamacare.

But GOP senators said that the handful of remaining undecided senators are concerned with the misconduct allegations against Kavanaugh — not where he stands on presidential power or *Roe v. Wade*.

"I generally feel that it's painting a pretty positive picture, that these are unsubstantiated allegations," said Sen. Thom Tillis (R-N.C.), who spent three hours going over the FBI's Kavanaugh report in a special room in the Senate basement set aside for viewing classified material. "There's certainly no concerns with his judicial philosophy. There's no concerns about any of the opinions he's written. And now it's just a sober review of the facts."

On Thursday evening, Kavanaugh made a direct appeal for confirmation in a Wall Street Journal [op-ed](#).

"I was very emotional last Thursday, more so than I have ever been," Kavanaugh said of his hearing on a sexual assault allegation. "I might have been too emotional at times. I know that my tone was sharp, and I said a few things I should not have said."

But Kavanaugh's tone is unlikely to determine his confirmation. Flake and Collins both expressed confidence to reporters in the breadth of the FBI's probe, which included interviews with nine witnesses and hundreds of tips submitted to the bureau. They attended a GOP briefing on the FBI report, then came back to read it themselves.

Both also attended a party lunch on Thursday and were quiet, declining to tell their colleagues where they would come down, according to attendees who say Flake is keeping his head down as he goes through the report, trying to minimize any drama.

The Arizonan asked questions during the FBI briefing that were not much different than those posed by other senators, according to a GOP colleague who was observing him closely. Flake, that Republican senator predicted, "will be OK" with Kavanaugh in the end.

Collins has been shadowed by Sen. Rob Portman (R-Ohio), a fellow centrist Republican who knows Kavanaugh personally, for much of the past two days. She's bristled at the Democratic attacks against her in recent days, leading some Republicans to believe that she's being pushed toward Kavanaugh and not away from him.

Murkowski has been more circumspect, essentially declining to comment until she's finished reading the FBI report. She did not attend the Republican lunch on Thursday.

Sen. Joe Manchin (D-W.Va.) also remains undecided, and Republicans are hopeful he will give Kavanaugh his only Democratic vote. Manchin, Murkowski, Collins and Flake may wait until Friday morning to announce their decision, according to senators and aides.

All three have been increasingly hard to locate as the spotlight on them intensifies. Flake is exiting the Capitol on the House side sometimes, using a series of hidden passages and tunnels to escape media hordes. Murkowski and Collins are often ensconced in their Capitol offices rather than in the Senate office buildings, which are open to the public and have become ground zero for confrontations with protestors.

"I'm not going to judge how my four remaining colleagues are going to vote," Sen. Ben Cardin (D-Md.) said in an interview, adding that "I think we recognize" that Collins, Flake and Murkowski are "going through a tough time" based on the heightened security surrounding them as the Kavanaugh vote nears.

Senate Judiciary Chairman Chuck Grassley (R-Iowa) who has bitterly tangled with his committee's Democrats throughout the confirmation process, said that Collins, Murkowski and Flake "ought to feel good about" the outcome of the FBI's inquiry because they were involved in the process of shaping it.

Grassley also noted that "I haven't heard from four Republicans" on Kavanaugh. The fourth GOP holdout appears to be Sen. Ben Sasse (R-Neb.), although spokesman James Wegmann said Thursday that the Nebraskan "has long been and remains at lean-yes."

"He's spent well over 150 hours doing his homework, and he pledged to fully review the information in the new FBI report before announcing his vote," Wegmann said.

Late Thursday, Grassley sent out a list of 10 people interviewed by the FBI, emphasizing that they were selected as they had "potential firsthand knowledge of the allegations."

One person on the FBI's list refused to be interviewed. Listed were: Mark Judge, PJ Smyth, Leland Keyser, Timothy Gaudette, Christopher Garrett, an attorney for one of the witnesses, Deborah Ramirez, two eyewitnesses named by Ramirez, Ramirez's close friend from college.

Publicly, Democrats raged against an FBI process that they say was unfairly restricted by a White House intent on getting Kavanaugh through. But privately, some Democrats acknowledged a creeping pessimism about a Supreme Court battle they were always waging against long odds.

Even Sen. Heidi Heitkamp's (D-N.D.) announcement of a "no" vote, citing "young girls and women across our country" watching the outcome of Ford's testimony, carried a ring of fatalism. Heitkamp took a stand as a recent poll showed her down by double-digits to her GOP challenger, and she claimed she would have "gone the other way" and backed Kavanaugh had she truly been motivated by politics.

Republicans said they couldn't think of any reason why Flake, Murkowski, or Collins would vote against Kavanaugh after reading the FBI's interviews with the individuals connected to the allegations against him.

"Each person makes up their own mind. But right now I think it would be very difficult to identify information that would suggest any corroboration to new accusations that have been made. It is not there," said Sen. Mike Rounds (R-S.D.).

*Nolan McCaskill contributed to this report.*

*To view online [click here](#).*

[Back](#)

## **SLF internal poll claims Manchin's lead is dipping [Back](#)**

By James Arkin | 10/04/2018 03:32 PM EDT

A poll conducted for Senate Leadership Fund, the top Republican Senate super PAC, shows Democratic Sen. Joe Manchin's lead at just 4 percentage points in West Virginia.

The poll obtained by POLITICO shows Manchin getting 47 percent of the vote to West Virginia Attorney General Patrick Morrisey's 43 percent among likely voters. Another 5 percent of voters were undecided and 5 percent were supporting a Libertarian candidate.

It's a sharply different portrait of the West Virginia race than the one painted by Manchin's campaign in its own polling released just a day earlier — though the two polls showed roughly the same share of voters supporting Manchin. The Democratic poll showed Manchin leading Morrisey by double digits, 48 percent to 36 percent, with only 4 percent supporting the Libertarian candidate. It was conducted Sept. 19-23 by Democratic firm Global Strategy Group.

Senate Leadership Fund's survey showed President Donald Trump with a 58 percent approval rating in West Virginia. It also found that 19 percent of Trump supporters back Manchin for reelection, but most of those voters said they would be less likely to support Manchin if he opposes Judge Brett Kavanaugh, Trump's nominee to the Supreme Court.

The poll was conducted by The Tarrance Group, which interviewed 612 likely voters from Sept. 23-25 with a margin of error of plus or minus 4.1 percentage points.

*To view online [click here](#).*

[Back](#)

## **Pruitt taps outside attorney for help amid investigations** [Back](#)

By Andrew Restuccia and Emily Holden | 05/16/2018 04:36 PM EDT

EPA administrator Scott Pruitt has tapped a white-collar defense lawyer to advise him as he grapples with a dozen federal investigations into his activity, according to two people familiar with the situation.

Paul Rauser, co-founder of the firm Aegis Law Group, has been assisting Pruitt for several weeks as the Environmental Protection Agency chief faces fierce scrutiny on everything from his international travel and his lavish spending to his \$50-per-night lease in a Capitol Hill condo owned by the wife of an energy lobbyist, these people said. Rauser has recently been spotted at EPA headquarters, according to the people.

Rauser "focuses on domestic and international white-collar criminal defense, corporate internal investigations, and high-stakes commercial litigation and arbitration," according to Aegis' [website](#). He has advised clients on lobbying and campaign finance issues, in addition to representing companies and individuals facing investigations by Congress and the executive branch, the firm's website says.

Neither Rauser nor an EPA spokesman responded to a request for comment.

Pruitt has lost the confidence of many White House staffers, who along with some outside advisers to the president have begun privately expressing frustration that Trump hasn't fired his EPA chief amid the cascade of scandals, according to four current or former White House officials and advisers.

"He's somehow managed to hang on," said one former White House official. "It's amazing."

But Trump is not yet ready to push Pruitt out, according to two of the officials, even though he is beginning to sour on him.

"The president has grown weary, but he hasn't yet gotten to the point that he wants to fire him," the former White House official said. "But the president is no longer going to step into the breach and defend him."

For now, Trump is more focused on other issues, including trade negotiations with China and his possible summit with North Korean dictator Kim Jong Un. But he is aware of — and unhappy with — the string of damaging stories about Pruitt, according to White House aides.

One recent story in particular got the president's attention: a [report](#) that conservative radio and television host Hugh Hewitt brokered a meeting with Pruitt to push for the cleanup of a polluted site in California. The story reignited Trump's lingering frustrations with Hewitt, who he believes was unfairly critical of him during the presidential campaign, according to a Republican close to the White House.



White House aides had hoped that Pruitt would be able to get out ahead of the nonstop stream of negative news stories about him. But Pruitt's seeming inability to stop the bleeding has infuriated many in the West Wing, who are sick of having to answer questions about his behavior.

"There's this slow erosion of confidence that he'll be able to handle this stuff in any meaningful way," said a White House official. "Where does this end?" is a pretty fair question."

Two White House aides said they believe Pruitt could be fired if a series of pending investigations reveal new damaging information about the EPA chief.

For now though, Pruitt is in limbo. "He's in that dead man zone that Rex Tillerson was in," said a Republican close to the White House, referring to Tillerson's months-long slow-motion demise.

Pruitt told lawmakers during a Senate hearing on Wednesday that he has established a legal defense fund, adding that donations to the fund will be made public and he would not solicit contributions from lobbyists or corporations with business before the agency.

Another lawyer working with Pruitt, Foley and Lardner partner Cleta Mitchell, helped set up the fund, according to a person familiar with the issue. The Washington Post first reported Mitchell's involvement in the fund.

Mitchell, in an email, confirmed that Pruitt is her client, but declined to comment further. "Scott has been a friend and client for a number of years — we are both from Oklahoma," she said.

*Nancy Cook contributed to this report.*

*To view online [click here](#).*

[Back](#)

**Musk trolls the SEC with tweet mocking agency** [Back](#)

By Patrick Temple-West | 10/04/2018 05:46 PM EDT

Tesla CEO Elon Musk fired off a tweet on Thursday that took a not-so-subtle shot at the Securities and Exchange Commission, which on Saturday settled fraud charges with the tech billionaire.

At 4:16 p.m., Musk tweeted that "the Shortseller Enrichment Commission is doing incredible work. And the name change is so on point!"

On Saturday, Musk agreed to step down as Tesla chairman and pay \$20 million for an Aug. 7 tweet that said he had "funding secured" for a deal to take the electric car company private. Musk has railed against short sellers who are betting Tesla's shares will fall and who have raised doubts about the company's vehicle sales.

His latest tweet came as the judge overseeing the settlement agreement on Thursday declined to immediately approve the deal, leaving open the possibility it may not go through. U.S. District Judge Alison Nathan asked the SEC and Musk to file a joint letter, "explaining why the Court should approve the proposed consent judgment."

The SEC settlement, which allowed Musk to remain Tesla's CEO, required the company to put additional controls in place "to oversee Musk's communications."

An SEC representative declined to comment on Musk's tweet, and a Tesla representative did not immediately respond to a request for comment. The tweet landed after the stock market closed.

There is a precedent for brash billionaires harassing the SEC after getting in trouble with the agency.

In 2014, Dallas Mavericks owner Mark Cuban made a surprise appearance at an SEC meeting in Washington. Dressed in a hoodie, Cuban tweeted jibes at the agency and then held a brief news conference.

The SEC had charged Cuban with insider trading but lost in court in 2013.

*To view online [click here](#).*

[Back](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 2/7/2019 3:32:58 PM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Top EPA air adviser departs

By Zack Colman

02/07/2019 10:31 AM EDT

A top official in the EPA's air office is leaving the agency at noon today to start her own nonprofit organization to advocate on behalf of the Trump administration.

Mandy Gunasekara, senior policy adviser and principal deputy assistant administrator in EPA's Office of Air and Radiation, confirmed her departure in a text. She had been with the EPA since November 2017. Her new 501c(4) group's focus will be "to defend the president and our many energy, environment and economic successes," Gunasekara said.

Prior to EPA, Gunasekara served as majority counsel for the Senate Environment and Public Works Committee, which was led first by Sen. Jim Inhofe (R-Okla.) and then by Sen. John Barrasso (R-Wyo). She's also held various other Capitol Hill positions.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2019/02/top-epa-air-adviser-departs-2645790>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA; Energy: Clean Air Act. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

## POLITICOPRO

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicopro.com](http://politicopro.com).

---

This email was sent to gunasekara.mandy@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 2/5/2019 10:49:12 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: Pruitt legal fund began long before exit — Bernhardt tapped, Wheeler gets vote — Trump expected to talk infrastructure

[View online version](#)

# MORNINGENERGY

02/05/2019 05:47 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](https://twitter.com/kelseytam))

---

*With help from Ben Lefebvre and Anthony Adragna*

## QUICK FIX

— **Documents obtained by POLITICO offer a new glimpse** into former EPA Administrator Scott Pruitt's legal defense fund — showing the former EPA chief's trust began raising money well ahead of his eventual exit from the administration.

— **The president's nominee for Interior secretary**, acting chief David Bernhardt, appears to be on the same path as Andrew Wheeler, whose nomination to head EPA permanently is expected to clear Senate EPW this morning.

— **Backers of a Green New Deal** are putting the finishing touches on their resolution, but they're not planning to include progressives' ambitious goal to set a firm end date for oil, gas and coal development in the U.S.

**IT'S TUESDAY!** I'm your host, Kelsey Tamborrino. Senate Energy and Natural Resources Committee's Tonya Parish is the trivia winner for knowing that a vice president has cast a tie-breaking vote in the Senate 268 times to date. For today: Who delivered the first ever opposition party response to the president's State of the Union address? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com). Follow us on Twitter [@kelseytam](#), [@Morning\\_Energy](#) and [@POLITICOPro](#).

## DRIVING THE DAY

**PRUITT DEFENSE FUND BEGAN LONG BEFORE EXIT:** The defense fund benefiting Andrew Wheeler's former boss Scott Pruitt began raising money more than two months ahead of his exit from the Trump administration, according to disclosure reports obtained by POLITICO.

**Wisconsin billionaire Diane Hendricks' previously reported donation** of \$50,000 to the Scott Pruitt Legal Expenses Trust occurred on April 24, Pro's Alex Guillén reports via a disclosure to the IRS. That donation came weeks after stories emerged about Pruitt's \$50-per-night condo rental, but well before his resignation on July 5.

**Hendricks is also the only disclosed contributor to the legal defense fund**, but Pruitt's legal bills had already exceeded what she gave by the time he resigned. He rung up between \$115,000 and \$300,000 in outstanding bills by then, Alex reports.

**CLEAN ENERGY INNOVATION: The Path Forward** — The transition toward clean energy is gaining momentum as prices collapse, technological innovation advances, performance improves and demand increases. While the path forward in clean energy innovation is uncertain on the federal policy front, innovation in the market seems promising. Can the market lead policy, or can the market and federal policy still find middle ground? Join POLITICO for a high-level conversation on the opportunities and challenges ahead on policy and investment in clean energy innovation. RSVP today here.

## WORD FROM THE AGENCIES

**TRUMP'S SECOND 'ACT':** President Donald Trump's decision to tap Bernhardt as Interior secretary places one more acting official in line to lead a key role in Trump's Cabinet after the previous chiefs were overcome by scandal.

**The similarities between Bernhardt and Wheeler are well-documented**, and much like Wheeler, Bernhardt should expect his former lobbying ties to come up in his confirmation fight.

**"We intend to conduct vigorous oversight** of Mr. Bernhardt's industry ties and how they may influence his policy decisions," House Natural Resources Chairman Raúl Grijalva said in a statement.

**A few sources told ME they were a little surprised that Bernhardt finally got the nod.**

After last week's swirl of rumors that the spot would go to former Wyoming Rep. Cynthia Lummis, some in the industry thought "Trump wanted central casting, and that's not David," one energy industry source told ME. Having said that, the industry thinks Bernhardt will avoid some of the legal potholes Ryan Zinke hit as he tried to roll back regulations.

**"Oil and gas companies love Bernhardt**, and not just because of his ideological views," the source continued. "He's a true insider. When he does reform some regulations, he'll get them right."

**The White House did not say Monday** whether it had sent Bernhardt's nomination to the Senate yet.



President Donald Trump, with acting Interior Secretary David Bernhardt, left, speaks during a Cabinet meeting at the White House in Washington. (AP Photo/Evan Vucci)

**RESERVING JUDGMENT:** Senate Energy ranking member Joe Manchin told ME he's reserving judgment on Bernhardt's nomination until he meets with him and wants to "give him a fair shot." Remember that Manchin previously backed Bernhardt for the deputy secretary slot back in July 2017.

**GOP pleased:** ME chatted with a bunch of Republican senators, even some who pushed other candidates for the post, but they all had nothing but praise for Bernhardt. "He's done a great job as the deputy, he's very knowledgeable about the department and I think he's confirmable," Sen. Dan Sullivan said.

**Most expected the agency's policy work** would continue largely unchanged but expected Bernhardt might bring a different flavor to the gig. "I suppose he's stylistically different — he probably won't show up for work in a cowboy hat on a horse," Sen. Kevin Cramer quipped.

**QATAR-EXXON ANNOUNCEMENT TODAY:** Energy Secretary Rick Perry will host a bilateral meeting with Qatari Energy Minister Saad Al-Kaabi today. After that, the secretary will join Al-Kaabi — who is chief executive of Qatar Petroleum — and officials from Exxon Mobil and Golden Pass LNG to make an announcement on a Qatari investment in LNG, according to DOE.

**Reuters recently reported** that Qatar Petroleum and Exxon are planning to proceed with a \$10 billion project that would expand the Golden Pass LNG export facility in Texas.

**TRY THE NEW PRO EXPERIENCE:** Pro has a new look and feel. Sign in to your Pro account to try the new Pro experience. Note: This is a preview, which means some tools and features you access will remain in the original experience. You can always return to the current site by going to <https://subscriber.politicopro.com/>.

## ON THE HILL

**ON TAP:** Wheeler will face a key hurdle toward confirmation today. The Senate Environment and Public Works Committee is set to vote this morning on advancing his nomination to the full Senate.

**Although senators on both sides of the aisle** have expressed concerns over POLITICO's report that EPA will not set a drinking water limit for two toxic chemicals, Wheeler is expected to get the nod. Democrats will instead try to secure some policy concessions before a floor vote, including on PFAS. **If you go:** The committee's business meeting will begin at 10 a.m. in 406 Dirksen.

**INSIDE THE GREEN NEW DEAL:** Climate advocates on the Hill will define their Green New Deal in the coming days without including one of the most ambitious goals its supporters have demanded: A commitment to cease fossil fuel extraction, sources told POLITICO's Zack Colman.

**Sources say the resolution** that Rep. Alexandria Ocasio-Cortez and Sen. Ed Markey are expected to soon introduce will include a goal for eliminating the U.S. carbon footprint by 2030. It also allows for "clean" rather than solely "renewable" energy — but does not explicitly call for eliminating fossil fuels, Zack adds.

**Watch party:** The Sunrise Movement is hosting livestream watch parties at 8 p.m. today that will lay out Sunrise leaders' plan and goals for gaining support for the upcoming resolution.

**PUBLIC LANDS COMING UP:** The Senate will vote this afternoon on a motion to invoke cloture to proceed on S. 47 (116), the lands package that includes permanent reauthorization of the Land and Water Conservation Fund.

**MARK YOUR CALENDARS:** The House Science Committee announced it would host a Feb. 12 hearing on climate science featuring the testimony of four scientists. They are Cornell University's Natalie M. Mahowald; Rutgers' Robert Kopp; Woods Hole Research Center's Jennifer Francis and the University of Washington's Kristie Ebi. More information here.

**CLIMATE HEARINGS ABOUND:** The House Natural Resources Water, Power and Oceans Subcommittee will hold a hearing this Thursday on climate change and ocean health, with former EPA Administrator Carol Browner among the witnesses.

## STATE OF THE UNION

**THE STATE OF THE SOTU:** The president's State of Union address tonight isn't likely to put energy and environmental issues front and center. Trump is expected to call for bipartisan infrastructure legislation, and if any of his previous primetime addresses are prologue, Trump will also tout his administration's deregulatory moves.

**ON THE GUEST LIST:** Democrats are planning to bring plenty of climate leaders as guests to the speech.

**To name a few:** Markey will bring Varshini Prakash, the executive director and co-founder of Sunrise Movement; Rep. Jamie Raskin will bring 350.org founder Bill McKibben; Rep. Paul Tonko will bring League of Conservation Voters President Gene Karpinski; and Rep. Gerry Connolly will take Amer Al-Mudallal, an EPA chemist furloughed during the shutdown.

**PFAS will also be a focus in the crowd:** Michigan Rep. Dan Kildee has invited Cathy Wusterbarth of Oscoda, Mich., an advocate who has been vocal on PFAS contamination, and New Hampshire Sen. Jeanne Shaheen has announced she'll bring Andrea Amico, co-founder of Testing for Pease, which also focuses on PFAS contamination. **Catch up on what else to expect here.**

**FEC CRACKS DOWN ON VIGOP:** The Federal Election Commission asked the Virgin Islands organization VIGOP to prove it's a state committee for the Republican party. ME



readers might recall that Zinke had informal ties to the group, which at times describes itself as the fundraising arm of the local GOP, but also acts as a PAC raising money in the name of Republicans on the mainland.

**The FEC declined in December to investigate** a March 2017 VIGOP fundraiser Zinke appeared at, siding with the group's claims it was a territorial event free from federal jurisdiction. But now the commission is giving the VIGOP a month to prove it is in fact connected to the state Republican party. "Please be advised that before using the contribution limits and/or statutes applicable for state parties, your committee must petition the Commission in the form of an advisory opinion to determine if it satisfies the criteria for state party status," the FEC wrote in a notice to VIGOP Treasurer Scott MacKenzie.

## THE GRID

- "Company gets water permit for refinery near national park," Associated Press.
- "Venezuela's PDVSA begins partial rationing of gasoline: sources," S&P Global Platts.
- "New Interior chief nominee calls agency's 'ethics challenges' an 'inherited' mess," The Hill.

## HAPPENING TODAY

- 8 a.m. — U.S. Chamber of Commerce summit on "America's Infrastructure: Time to Invest," 1615 H St. NW.
- 10 a.m. — Senate Energy and Natural Resources Committee hearing to examine "The Outlook for Energy and Minerals Markets in the 116th Congress.," 366 Dirksen.
- 10 a.m. — Senate Environment and Public Works Committee business meeting to consider the nomination of Andrew Wheeler to be EPA administrator, 406 Dirksen.
- 10 a.m. — The Johns Hopkins University Paul H. Nitze School of Advanced International Studies discussion on a report titled, "Ocean Climate Geoengineering: An Assessment of Potential Risks, Benefits and Governance," 1619 Massachusetts Ave. NW.
- 10 a.m. — Senate Judiciary Committee hearing on the nomination of Neomi Rao to be U.S. circuit judge for the District of Columbia Circuit, 226 Dirksen.

12:30 p.m. — The World Bank's Independent Evaluation Group discussion on "The Future of Carbon Markets for Climate Change Mitigation," 1818 H St. NW.

1 p.m. — The Brookings Institution webinar on "The Flint Water Crisis: Lessons Learned."

9 p.m. — House meets for a joint session with the Senate to receive Trump's State of the Union address.

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 12/6/2018 10:47:52 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: McNamee gets his day — Behind Manchin's 'no' vote — EPA to propose coal rule rollback

[View online version](#)

# MORNINGENERGY

12/06/2018 05:46 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

---

*With help from Anthony Adragna and Ben Lefebvre*

**FERC WATCH:** President Donald Trump's controversial FERC pick Bernard McNamee is on track to squelch confirmation by the Senate today on a party-line vote — putting one of the most politically polarizing figures in recent memory at the agency charged with regulating interstate natural gas pipelines and overseeing competitive power markets. McNamee shouldn't be trusted because of his work at the Energy Department in crafting the Trump administration's nuclear plan and past comments bashing renewable energy — even West Virginia Sen. [Joe Manchin](#) rescinded his support, saying McNamee was not up to the task of confronting climate change (more on that below). McNamee has vowed to be independent and follow the law as a commissioner.

**The GOP's haste to confirm McNamee** is fueled in part by fears about creating a backlog in energy project approvals, reports this morning. FERC leadership has experienced its own unrest in the first two years of the Trump administration, including a months-long loss of quorum last year and Republican Commissioner Kevin McIntyre's departure from the agency this year. Senate Majority Leader [Mitch McConnell](#), whose former aide Neil Chatterjee replaced McIntyre, warned Wednesday that "continuing with a deadlocked and understaffed Commission could threaten the investments and the jobs that revolve around them."

**The fallout:** But while swearing McNamee in will restore the Republican majority at the agency, opponents and Republicans may come to regret installing such a controversial candidate. Already, legal experts at the Heritage Foundation argued that McNamee was "disqualified" from participating in at least two issues in front of FE. McNamee has a year to roll out a proposal to prop up economically struggling coal and nuclear plants. Should McNamee intend to file a formal brief with regulators on the issue. Read [more](#).

**WELCOME TO THURSDAY!** I'm your host, Kelsey Tamborrino. Apologies on yesterday's trivia question about the record for tallest National Christmas Tree because I meant to ask for the tallest *Capitol* Christmas Tree. The record is 88 feet — there was one in 2013 from Washington and in 2014 from Minnesota. The National Tree is the tallest today, something completely different: Which state was first to require license plates on cars? Send your comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](#), [@Morning\\_Energy](#) and [@POLITICO](#).

## ON THE HILL

**BEHIND MANCHIN'S VOTE:** McNamee is moving ahead after a razor-thin 50-49 cloture vote Wednesday. [his fellow Democrats](#) in voting no — after just last week splitting with his party to support the nomination. A Virginia Democrat cited climate change and comments McNamee made in a video that resurfaced [last month](#) in his about-face Wednesday. "Climate change is real, humans have made a significant impact, and we have the capability to address it urgently," Manchin said, adding, "but we can't make progress if our public official doesn't exist."

**Interesting timing:** Manchin's call to action on climate change comes as environmental activists are seizing on [his elevation](#) to top Democrat on the Energy committee next year, should ranking member [Maria Cantwell](#) step into the Committee, as she is expected to do. (A [petition](#) from CREDO Action surfaced this week calling Manchin to resign. "Manchin is a Virginian who once used a rifle to shoot a climate change bill in a campaign ad.") Asked if Manchin's vote reflects concerns from environmental activists, Cantwell told POLITICO: "I think that he's a member who really is part of our future strategy for sure." Pro's Anthony Adragna, Darius Dixon and Nick Juliano report more [here](#).



Sen. Joe Manchin speaks to his supporters after being re-elected in Charleston, W.Va. (AP Photo/Tyler Evert)

**Heads-up:** Senate Energy Chairman Lisa Murkowski said Manchin sat behind her on the bus ride senator H.W. Bush's funeral and he told her of his intent to oppose McNamee then.

**Collins voted 'yes':** Republican Sen. Susan Collins voted in favor of McNamee. In a statement to ME, she said, "It's clear he recognizes the importance" of FERC's impartiality. "If confirmed, he testified that he would be an impartial arbitrator, and he drew a clear distinction between his previous work as a lawyer on behalf of specific clients and his new role as a member of the Commission," she said.

## AROUND THE AGENCIES

**EPA COAL PROPOSAL EXPECTED TODAY:** Acting EPA Administrator Andrew Wheeler is expected to announce a proposal to ease carbon dioxide limits on newly built coal-fired power plants — though it's unlikely to slow the coal industry, Pro's Alex Guillén reports.

**When and where?** Wheeler will make the announcement this afternoon at EPA headquarters, alongside Commerce President and CEO Harry Alford. That group has previously argued that Obama-era regulations disproportionately hurt minority communities.

## BEYOND THE BELTWAY

**OPEC ON THE ROPES?** Members of the OPEC oil cartel will walk a tightrope during their meeting in Vienna as Middle East politics have shifted significantly since the cartel met in June, and analysts don't expect them to decide what to do next. Some member countries — but not all — are stinging from the lower oil prices resulting from the failure to slap Iran with the oil sanctions he had all but promised. But cutting output too much could cause a market crash, risking Trump's Twitter ire. Meanwhile, OPEC is still grappling from the political fallout from Saudi Arabia's murder of Washington Post columnist Jamal Khashoggi.

**Qatar mic drop?** Another issue is what other shoe may drop after Qatar withdrew its membership from the cartel. Seen as a vote of no confidence in the cartel's market strategy, it has raised concerns that other members may exit, Center for Strategic & International Studies analyst Nikos Tsafos wrote recently. "The most obvious other countries will follow," Tsafos wrote. "Even if they do not, Qatar has sent a strong signal about what message will weigh on other countries and their deliberations."

## ALSO ON THE HILL

**MURKOWSKI WANTS CLIMATE TALKS:** As House Democrats talk excitedly about committee action on climate change in Congress, Murkowski says she wants to hold hearings on the issue. "It's something that I expect to deal with if we actually want to. We can be a committee that hopefully can lead a rational conversation on it rather than just taking sides," she told reporters. "I'd like to try to lead on some of those issues as a committee."

**STILL BACKING ZINKE:** Murkowski told ME she still has confidence in Interior Secretary Ryan Zinke, even as Democrats have been demanding. Murkowski declined to weigh in on whether his accusation that House member Raúl Grijalva is a drunk is appropriate for a Cabinet official. "I am not going to opine whether it is appropriate," Murkowski said. "I'm not going to get involved in that dust-up."

**ON TAP TODAY:** The House today is expected to pass a two-week stopgap spending bill, H.J. Res. 143 (116-143), by consent. The funding measure would then head to the Senate, where it's expected to get a low-drama vote. Another measure reauthorizes the National Flood Insurance Program until Dec. 21, but it does not include authorization for the Water Conservation Fund that expired in September.

**What's next?** The stopgap will temporarily save the government from a shutdown, but if disagreements cannot be resolved, lawmakers from both parties have admitted a longer-term stopgap may come next, [P. Sarah Ferris report](#). That would include funding for Interior and EPA.

**HEDGING A BIT:** Cantwell seemed a little less certain [than last week](#) about what exactly would get done. "LWCF is gonna happen this year or next year for sure," she said Wednesday. "It's a matter of whether they want to get it done right now without trying to get crazy ideas for it." It's a question now whether a permanent program makes it across the finish line or if lawmakers opt for a shorter extension with the idea of trying

**CARPER MEETS WITH DOT:** Senate EPW ranking member [Tom Carper](#) told reporters he met Tuesday Transportation Secretary Jeffrey Rosen about a compromise that would give automakers some flexibility on efficiency targets while extending some aggressive new ones further out than the current program runs. [A](#) are decidedly on board with his approach: "They're all for it. They've told the administration this again and they need to keep telling them."

## QUICK HITS

- "Emails: EPA staffers freaked when Pruitt tried to stage climate-change debate," [The Daily Beast](#).
- "Sage grouse, climate lawsuits loom over BLM lease sale," [E&E News](#).
- "Incumbent Republican wins runoff for Ga. PSC seat," [S&P Global Market Intelligence](#).
- "Luxembourg to become first country to make all public transport free," [The Guardian](#).
- "DEP will allow company to plug handful of oil, gas wells over next 15 years," [Charleston Gazette-Mail](#).
- "Final hurdle cleared in California's solar mandate for new homes," [PV Magazine](#).

## HAPPENING TODAY

- 8 a.m. — The Solar Energy Industries Association holds its 2018 [Federal and State Policy Summit](#), 10 The
- 9 a.m. — The GridWise Alliance and Clean Edge Inc. hold the 2018 [gridCONNEXT conference](#) on issues a industry, 415 New Jersey Ave. NW.
- 9:30 a.m. — Nextgov holds the 2018 CyberSci Symposium on " [Adaptability and Resilience in the Cyber T](#) Fairfax, Va.
- 9:30 a.m. — The Woodrow Wilson Center's China Environment Forum [discussion](#) on "From Climate Vill Lead the Path to Paris in a Fragmented Climate Action World?" 1300 Pennsylvania Ave. NW.

Noon — American Bar Association [discussion](#) on "What Lies Beneath — Critical Minerals, Trade Policy and  
Connecticut Ave. NW.

2 p.m. — Atlantic Council [discussion](#) on "Turkey's Energy Sector Dynamics," 1030 15th St. NW.

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To  
change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington,  
VA, 22209, USA**

---



Message

---

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 11/30/2018 2:44:51 PM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** EPA watchdog couldn't find Pruitt travel records leaker

By Alex Guillén

11/30/2018 09:43 AM EDT

EPA's inspector general says it was unable to determine who leaked former Administrator Scott Pruitt's travel records to the press.

The Office of Inspector General's semiannual report to Congress says investigators looked into who leaked "without authorization" travel records about an unspecified trip abroad, a possible reference to Pruitt's December 2017 voyage to Morocco.

"Employees with access to the Administrator's travel account were interviewed and all denied committing the unauthorized release. The investigation was inconclusive," the OIG report says.

As reported Thursday, the OIG also reported closing investigations into Pruitt's condo rental and his use of EPA workers for personal tasks. Both were deemed inconclusive because Pruitt's resignation prevented investigators from interviewing him.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2018/11/epa-watchdog-couldnt-find-pruitt-travel-records-leaker-2281999>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

## POLITICOPRO

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicoopro.com](https://subscriber.politicopro.com).

---

This email was sent to gunasekara.mandy@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/19/2018 9:48:09 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by ExxonMobil: Zinke IG report raises new questions — The FERC waiting game — Wheeler addresses E15 elephant in the room

[View online version](#)

# MORNINGENERGY

10/19/2018 05:45 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

---

*With help from Darius Dixon, Anthony Adragna and Eric Wolff*

**ZINKE PROBE RAISES NEW QUESTIONS:** Shortly after the Interior Department outright denied reports a political appointee from HUD was going to take the helm of its watchdog office, a new report emerged from the inspector general's team into Secretary Ryan Zinke and his wife Lola's taxpayer-funded travel, detailing his efforts to skirt or alter department policies to justify taxpayer-funded trips, as POLITICO's Ben Lefebvre, Anthony Adragna and Zack Colman write [here](#).

There's *a lot* to unpack in the 11-page report, but among the details: Zinke was "upset" his wife had to pay her own travel expenses, and pressed staffers to research whether she could become a volunteer at the agency, a move employees said was designed to enable her to travel with him at taxpayer expense. According to the report, which was obtained by POLITICO and will be released next week, Zinke also violated Interior policy by having his wife travel with him in federal vehicles, and spent \$25,000 on a security detail on vacation

with the couple to Turkey last year — a decision made by a U.S. Park Police supervisor worried about the couple's safety, Ben, Anthony and Zack report.

For its part, Interior defended Zinke. "The Inspector General report proves what we have known all along: the secretary follows all relevant laws and regulations and that all of his travel was reviewed and approved by career ethics officials and solicitors prior to travel," Interior spokeswoman Heather Swift said in an email. "Additionally, the secretary received the same exact legal advice from the solicitors as previous secretaries and he acted consistently. The report even said so."

**So, what now?** The IG report is just the latest critical probe into President Donald Trump's Cabinet, particularly when it comes to travel. (See: Former EPA Administrator [Scott Pruitt](#), former HHS Secretary [Tom Price](#), Transportation Secretary [Elaine Chao](#), and [as of yesterday](#), former Secretary of State Rex Tillerson.)

By Thursday evening, calls for Zinke's resignation began to surface, directly likening him to Pruitt. "Even Scott Pruitt resigned before he could be fired, but Zinke doesn't even have that sense of decency," Sierra Club Executive Director Michael Brune said in a statement. "... It's time Donald Trump fires Ryan Zinke, not give him a chance to engage in a Washington cover-up."

But it remains to be seen how the White House will react to the IG report. Earlier this week, Trump thanked Zinke for his work atop the department during a Cabinet meeting, after the secretary detailed how he was "reducing regulation and controlling regulatory costs." It's also worth noting that before Pruitt's resignation, his Republican allies often touted the EPA chief's roll back of regulations when confronted with scandal as justification for keeping him around.

One thing's for sure, the report adds another crucial wrinkle in the lead-up to the midterms. If Democrats win the House this November, they've [already said](#) they'll set their sights on inquiries into Zinke's business dealings, travels, political activities and relations with industry. Chief among them is Natural Resources ranking member [Raúl Grijalva](#), who signaled Thursday that the new IG report would factor in. "Republicans have known about Secretary Zinke's scandals for eighteen months and done nothing," Grijalva said in a statement. "Putting Democrats in charge of Congress is the only way to stop these abuses."

**Catch up:** [Interior accuses HUD of 'false information'](#) | [Democrats question appointee atop IG](#) | [HUD says appointee to lead IG](#) |

**Doc of the day:** Pros can read the IG report in its entirety [here](#).

**GOOD FRIDAY MORNING!** I'm your host, Kelsey Tamborrino. Entergy's Rob Hall was the quickest one to ID Edwin Stanton as the former secretary of war who died before he could take his seat on the Supreme Court. For today, a geography recall question: Name all countries that begin with the letter "J". Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**POLITICO IS PARTNERING WITH THE MILKEN INSTITUTE** to bring a special edition of the POLITICO Pulse newsletter to the Milken Institute Future of Health Summit. Written by Dan Diamond, the newsletter will take readers inside one of the most influential gatherings of global health industry leaders and innovators as they tackle today's most pressing health challenges. The newsletter will run Oct. 23-24. [Sign up today](#) to begin receiving exclusive coverage on Day One of the summit.

**PRESIDENT TRUMP SAYS A RED WAVE IS COMING ON ELECTION DAY.** Is he right, or will the tide turn blue? Compete against the nation's top political minds in the POLITICO Playbook Election Challenge, by correctly picking the winning candidates in some of the most competitive House, Senate and gubernatorial races in the country. Win awesome prizes and eternal bragging rights. Sign up today! Visit [politico.com/playbookelectionchallenge](https://politico.com/playbookelectionchallenge) to play.

## FERC

**THE FERC WAITING GAME:** The fate of FERC Chairman Kevin McIntyre remains a major unknown in the energy world. While we waited for an announcement about whether McIntyre would give up the gavel and become a commissioner, or outright resign at Thursday's agency meeting, nothing has been made public. A statement about McIntyre of some kind has been expected since midday Thursday so ... anytime now?

We've started to hear more and more that McIntyre will opt for the commissioner route, but details are sketchy. It's also a little unclear if McIntyre's office will issue the statement, or if there will be a notice from the White House.

## AROUND THE AGENCIES

**WHERE'S PERRY?** Energy Secretary Rick Perry travels to San Antonio today for an anniversary celebration for the Eagle Ford shale field. He will deliver remarks at the San Antonio Business Journal's 10th anniversary celebration, dubbed "Shale-A-Bration," marking the discovery of the South Texas shale field.

**MASHBURN MOVES TO VA:** John Mashburn, a senior adviser to Perry and former White House official, is leaving DOE for a senior role at the Department of Veterans Affairs, three people familiar with the move tell POLITICO's Andrew Restuccia and Ted Hesson. One of the people said Mashburn is joining the VA, after just six months at DOE, for a high-level role advising the head of the department, Robert Wilkie.

**WHEELER ADDRESS E15 ELEPHANT IN THE ROOM:** EPA has the legal authority to expand sales of 15 percent ethanol fuel, acting Administrator Andrew Wheeler said Thursday, ending months of restraint on the issue, Pro's Eric Wolff and Sarah Zimmerman report. "Yes we do have the authority to move forward on E15 and I hope that the oil industry will join us in helping to make the RFS program function better for the American public," Wheeler said at an event on food waste in Washington.

**'Thanks Mr. Trump':** Agriculture Secretary Sonny Perdue tweeted out this picture from an Indiana farmer who thanked Trump on E15 with a crop formation.

**\*\* Presented by ExxonMobil:** Over the next five years, ExxonMobil plans to invest \$50 billion in the U.S. economy to expand its business. That kind of investment will not only create jobs in energy but also help support millions of American jobs in other industries. EnergyFactor.com \*\*

**FORMER EPA OFFICIALS WEIGH IN ON SCIENCE:** Gina McCarthy and Bill Ruckelshaus, former EPA administrators under presidents from opposing parties, will participate in a discussion this afternoon on what's happening to science and policy at the EPA. Democratic Sen. Tom Udall and Wendy Jacobs, director of Harvard Law School's Emmett Environmental Law and Policy Clinic, are also on the panel, which will look at the historical context, congressional oversight and the legal implications for the agency's current proposals. The Boston event — which comes days after EPA said it is continuing a controversial transparency proposal that critics warn will limit the use of scientific studies — will begin at noon. Livestream here.

**CREW SUES EPA OVER PRUITT GIFT:** The left-leaning Citizens for Responsibility and Ethics in Washington said Thursday it has sued EPA over gifts former Administrator Pruitt received while at the agency, and which were referenced in his July financial disclosure report. CREW says EPA has not released the inventory of items given to Pruitt — his financial report included a description that he received "various" unidentified "items as part of events, meetings, or otherwise, as an extension of and in conjunction with [his] position." Read the complaint.

**NAM CONTINUES WOTUS FIGHT:** The National Association of Manufacturers' Center for Legal Action filed a [motion](#) for summary judgment on Thursday in its long-running fight to strike down the Waters of U.S. rule. In the motion filed in the U.S. District Court for the Southern District of Texas, NAM argues WOTUS is unconstitutionally vague, inconsistent with statutory language, and was crafted without following procedures required by law. NAM has been actively fighting the rule in the courts since July 2015.

## ON THE HILL

**HOUSE MEMBERS PRESS FOR CALIFORNIA FUEL WAIVER:** A bipartisan group of 68 House lawmakers — including five Republicans on the House Climate Solutions Caucus — want EPA to uphold California's power to set its own vehicle efficiency standards, [reports](#) Pro Energy's newest member, Zack Colman. In the letter to Wheeler, the lawmakers argue the Trump administration's plan would penalize states that want to exceed national goals to benefit public health. Notably, several Republican members of the Climate Solutions Caucus from states that follow the California vehicle standard did not sign the letter.

**PARK IT:** Increased visitation at National Parks could come at great strain to the local, rural communities that surround parks nationwide, leaving them to bear the brunt of the responsibility to generate tax revenue to fix infrastructure. That's the issue at the heart of a Senate Energy and Natural Resources National Parks Subcommittee field hearing today, chaired by Montana Sen. [Steve Daines](#). **If you go:** The [field hearing](#) begins at 1 p.m. ET at the Gardiner Public School in Montana.

## BEYOND THE BELTWAY

**WARMER WINTERS ARE COMING:** Temperatures are expected to be "warmer than normal" this winter across the northern and western U.S., with the greatest likelihood in Alaska and the Pacific Northwest to the Northern Plains, [according to](#) the winter outlook from NOAA's Climate Prediction Center. No part of the U.S. is expected to have below-average temperatures for the the winter season.

**The American Gas Association** released its own winter outlook on Thursday, predicting that customers nationwide could see a decrease in average residential natural gas bills of 7 percent to 11 percent compared to last winter, due to increased winter temperatures.

**KOCHS MAKING BANK AS MIDTERMS ENTER HOME STRETCH:** The Koch brothers' refinery in Pine Bend, Minn., has been making enormous profits, fattening the wallets of the politically active duo with just a few weeks before the midterm elections. Tom Kloza, global head of energy analysis for the oil tracking service OPIS, [writes on his blog](#) that the refinery

likely took advantage of cheap crude oil prices out of Canada in October and converted oil sands crude into high priced fuel for sale into the Minneapolis market. Overall, he estimates they netted an astonishing \$63 a barrel on diesel, \$83 a barrel on No. 1 oil, and \$57 a barrel on gasoline in recent weeks. That buys a whole lotta ad time for Republican candidates, is what ME is saying.

## AD ROUNDUP

**CONSERVATIVE GROUP TARGETS CLEAN ENERGY LAWMAKERS:** Just weeks from Election Day, Citizens for Responsible Energy Solutions, a conservative environmental group, will announce today several regional ad buys highlighting the clean energy records of a number of incumbent lawmakers and candidates. The buy, totaling more than \$700,000, will include radio, digital, mail and phone ads highlighting: Reps. Carlos Curbelo, Brian Fitzpatrick, Elise Stefanik, Mark Amodei and Mia Love; as well as Utah Senate candidate Mitt Romney; state Sen. William Timmons, who's running for South Carolina's 4th Congressional District; and South Dakota's Dusty Johnson, who is running for the state's at-large seat.

**THANKS, OBAMA:** In the heart of West Virginia coal country, Republican House candidate Carol Miller released an ad attempting to link "Obama's war on coal" to Democrat Richard "Ojeda's war on Trump." The ad says Ojeda, who voted for Trump, has ideas that are "dangerously wrong" for the state. They're battling for the southern West Virginia seat of GOP Rep. Evan Jenkins, who ran for Senate but lost the primary.

**In Kansas, Republican Kris Kobach** released an ad accusing his gubernatorial opponent, Democrat Laura Kelly, of being "just like Obama" on energy policy. "We don't need more costly regulations. We need lower electricity bills," Kobach says.

**GREENS HIT THREE:** The League of Conservation Voters Victory Fund unveiled a \$567,000 ad campaign targeting three Republican incumbents in competitive re-election bids: Reps. Pete Sessions, Jason Lewis and Randy Hultgren. Two ads hit Sessions for his past votes and ties to the fossil fuel industry, while another hits Lewis over his ties to special interest groups and the other against Hultgren hits similar themes.

## QUICK HITS

— "White House seeks to slow rollout of rules for cleaner ship fuels," The Wall Street Journal.

- "BP starts up Thunder Horse expansion early in Gulf," [Chron.](#)
- "Oil plunges nearly 11 percent in just 2 weeks, shrugging off Iran sanctions and Saudi tension," [CNBC](#).
- "Do DOE and the Pentagon march together on grid security?" [E&E News](#).
- "Former Interior Secretary Sally Jewell will guide UW's new climate initiative," [Seattle Times](#).
- "EPA taking U.N. climate report 'very seriously,' agency chief says," [The Hill](#).

## HAPPENING TODAY

8:30 a.m. — [P4G Summit begins](#), Copenhagen.

9 a.m. — [2018 LGBTQ Outdoor Summit](#), Sausalito, Calif.

9:30 a.m. — Columbia Center on Global Energy Policy [discussion](#) on "The Impact of US LNG on Russian Natural Gas Export Policy," New York City.

11 a.m. — Senate Energy and Natural Resources Subcommittee on National Parks [field hearing](#) to "Examine Challenges in Gateway Communities of National Parks," Gardiner, Mont.

11:30 a.m. — The National Academy of Sciences, Engineering, and Medicine's Committee on Assessing the Taxonomic Status of the Red Wolf and the Mexican Gray Wolf [webinar](#) on the criteria for determining a subspecies.

Noon — National Capital Area Chapter of the United States Association for Energy Economics [discussion](#) on "What the Midterm Elections may Mean for Energy Policy," 425 Seventh Street NW.

Noon — Harvard T.H. Chan School of Public Health [forum](#) on "Conflicts Over Science And Policy At The EPA," Boston.

5:30 p.m. — Leaders in Energy and Resilient Virginia [seminar](#) on "Improving Resilience Through Microgrids & Battery Storage," 701 Pennsylvania Avenue NW.

**THAT'S ALL FOR ME!**



**\*\* Presented by ExxonMobil:** Energy is fundamental to modern life and drives economic prosperity - in small communities across America and around the world. We need a range of solutions to meet growing energy demand while reducing emissions to address the risk of climate change. Visit the Energy Factor to learn more about some of the bold ideas and next-generation technologies we're working on to meet this challenge: [EnergyFactor.com](https://EnergyFactor.com) **\*\***

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 11/30/2018 10:49:01 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: What awaits Trump at the G-20 — Biofuel requirements on tap — Manchin closes in on ranking title

[View online version](#)

# MORNINGENERGY

11/30/2018 05:46 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

---

*With help from Eric Wolff and Anthony Adragna*

**G-20 VISION:** President Donald Trump is set to meet with world leaders today and Saturday during the G-20 summit in Buenos Aires, Argentina. There's little expected in the way of climate change discussions ahead of the big United Nations climate conference that kicks off in Poland next week, but the likelihood of new oil production cuts in the coming days by OPEC and some uncomfortable moments between Trump and Russian President Vladimir Putin.

**Trump, who has pressured OPEC** to keep oil prices down, said on Thursday he canceled a bilateral with Russia, still holding Ukrainian ships and sailors. Reuters has reported that the steep selloff in oil prices had brought pressure from Saudi Arabia to curb oil sales. Putin will meet with Saudi Crown Prince Mohammed bin Salman.

— **The U.S. is seemingly standing in the way** of other nation's desire to compose a unified communiqué on global trade and climate change, Pro's Trade team reported. Among the issues are the U.S. decision to omit references to the Paris climate deal or any links between emissions and climate change, a person familiar with the administration told CNN. Of course, it's not the first time the U.S. has stood in the way over references to climate. The Paris deal cast a shadow over last year's G-20 summit, where the president isolated himself from other nations on the issue.

**GIMME BIOFUEL, GIMME FIRE, GIMME THAT WHICH I DESIRE:** Today's the deadline for EPA to release the rule for the coming year, and EPA has held firm that it will deliver the rule on time. Sources told Pro's Eric W. Lipton that the lines of the June proposal, with 19.88 billion gallons of total biofuel, including 15 billion gallons for the 2022 mandate.

**But wait, there's more!** This year's rule will trigger the law's reset provisions, meaning EPA will get to reset volumes set out more than a decade ago. The agency will have to adhere to several key criteria, but most of latitude.

**WE MADE IT TO FRIDAY!** I'm your host, Kelsey Tamborrino. RBJ Strategies' Stephen Brown is the trivial pursuit host, former Virginia Sen. Armistead Mason, who was in office for just over a year, is the only person who served in the career under the age of 30. For today: Who was the *first* former president to be elected to the Senate? Send questions and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and

**Let Women Rule your inbox:** The Women Rule Newsletter is a weekly email that shares original content, behind-the-scenes backstage stories, special events and impactful resources for women at any stage of their career. If you are looking to or grow your professional network, look no further than Women Rule. No one rises to the top alone, so sign up and get started today.

## AROUND THE AGENCIES

**ON TAP TODAY:** The Trump administration is moving ahead on plans for seismic testing in the Atlantic Ocean, an official familiar with the move told Pro's Ben Lefebvre and Zack Colman. The Commerce Department's National Ocean Service authorized five companies to conduct seismic tests to explore for oil and gas reserves, moving a step closer to drilling along the Eastern seaboard. Its decision will be formally announced today, the official said.

**EPA IG CLOSES PRUITT PROBES:** EPA's Office of Inspector General closed two probes into former Administrator Scott Pruitt without reaching any conclusions — because he resigned before investigators could compel him to talk, Trump's IG reports, according to a report submitted to Congress. The office said it did not make a finding into whether Pruitt violated federal law, instead calling each case "inconclusive."

**COP IN:** The U.S. is sending a delegation to next week's COP24 climate conference in Katowice, Poland, this Thursday. The delegation will include Judith Garber, a principal deputy assistant secretary at State, as well as representatives from the White House, EPA, Energy, Treasury and Agriculture departments. The Trump administration's stance on the Paris Agreement "remains unchanged," State said in a release. Instead, the U.S. is "participating in ongoing negotiations related to the Paris Agreement, in order to ensure a level playing field that benefits and protects U.S. interests."

## ON THE HILL

**WEEKEND BEFORE BERNIE:** Senate Majority Leader Mitch McConnell filed cloture on Bernard McNamee setting up the Senate to vote on the motion to invoke cloture at 5:30 p.m. Monday. Energy and Natural Resources Committee Chairman Maria Cantwell predicted "a very big fight on McNamee" due to the quick timeline for a vote. "We'll see if we can get it done," she said Thursday.

**LET'S MAKE A DEAL?** Four senior House and Senate lawmakers had a productive meeting Thursday afternoon toward a consensus public lands package. House Natural Resources Chairman Rob Bishop and ranking member Mark Amodei met with Senate Energy Chairman Lisa Murkowski and Cantwell. "There is widespread agreement that a land management bill should be done before this Congress adjourns," Natural Resources spokeswoman Kristina Baum told ME. "[We're] very close to unveiling a bipartisan deal that addresses major sportsmen, recreation, conservation, and conservation. It's not clear yet whether the package will contain a long-sought reauthorization of the Land and Water Conservation Act. Lawmakers iron out the details."

**MANCHIN MOVES CLOSER:** It's looking likely that coal-friendly Sen. Joe Manchin will become ranking member of the Natural Resources Committee next session, as other senior party members staked their claims on other panels. None of the three committee members with more seniority than Manchin — Sens. Ron Wyden, Bernie Sanders, and Mark Warner — voiced interest in giving up positions on other panels where they lead their caucus, Zack and Anthony A.



Sen. Joe Manchin speaks to his supporters after being re-elected in Charleston, W.Va. (AP Photo/Tyler Evert)

**CANTWELL SEES CLIMATE EVOLUTION:** Cantwell told reporters Thursday she's seeing signs of change among her colleagues in how they view climate change. "It's starting to seep in people's minds that this is a cost factor for the government," she said. "They know that because they're seeing it on fire, they're seeing it on drought, they're seeing it on the ground. The question is whether they're going to own up to the fact that they could do better things for the future."

**QUICK ACTION EYED FOR CHEMICAL SAFETY PICK:** A spokesman for Senate EPW Chairman John Barrasso is hoping to secure "unanimous consent from the full Senate to discharge (from the committee) and confirm the office nominee Alexandra Dapolito Dunn next week. Barrasso expects Dunn would return any questions for the record, which they will "read them and make a decision." Quick action is expected following a warm reception from the committee during Dunn's confirmation hearing.

**TAX BILL AGREEMENT DUBIOUS:** Some top tax aides on the Hill are doubtful lawmakers will agree to [\(115\)](#), released this week by House Republicans, Pro Tax's Brian Faler [reports](#). "This is kind of a sideshow funding fight that still needs to be resolved" and "my understanding is that they are not close — that there's still a long way to go there," said Aruna Kalyanam, staff director for Ways and Means Democrats. Energy industry groups are in support of the bill, though, primarily for its inclusion of a host of tax extenders.

**FOR YOUR RADAR:** Michigan GOP Rep. [Dave Trott](#) on Thursday signed on as a co-sponsor of the Energy and Commerce Committee's Dividend Act ([H.R. 7173 \(115\)](#)), the first bipartisan carbon-pricing legislation, which was introduced this week by Rep. [Lobby](#) [said](#). Trott's addition brings the bill up to six co-sponsors.

**ON BOARD:** Hawaii Democrat Rep. [Tulsi Gabbard](#) became the 16th House Democrat on Thursday to back the creation of a new committee tasked with crafting legislation on a Green New Deal to quickly decarbonize the U.S. economy.

**ALEC FOR OPEN POWER MARKETS:** The American Legislative Exchange Council is taking up a resolution to bring back the kind of open power markets found in Texas. The group, which is holding its annual States and National Conference in D.C. right now, sees an opportunity to get into the fray in the wake of the failure of a ballot initiative in Nevada to create a public power market. The resolution was introduced by Michigan state Rep. Gary Glenn and is opposed by the Edison Electric Institute, which represents investor-owned utilities, according to Jim Presswood, executive director of the Earth Stewards Fund.

## MOVERS AND SHAKERS

**CGCN Group added Aaron Szabo** as a partner. Szabo previously worked in both the Trump and Obama administrations as a senior lawyer for the White House Council on Environmental Quality and prior to that in the Office of Management and Enterprise Affairs ([POLITICO Influence](#))

**Andy Beck** has joined communications firm kglobal, as managing director. Beck previously served as director of communications at the Energy Department and senior communications and outreach adviser at EPA.

## QUICK HITS

- "Prized 'rare earth' minerals feel scorch of tariffs," [The Wall Street Journal](#).
- "Businesses discharging PFAS into Michigan's waterways," [MLive](#).
- "Climate change is more extensive and worse than once thought," [Associated Press](#).
- "Surge of oil and gas flowing to Texas coastline triggers building boom, tensions," [Texas Tribune](#).
- "[Carlos Curbelo](#) doesn't care what you think," [E&E News](#).

## HAPPENING TODAY

9 a.m. — The Edison Electric Institute forum on "Celebrate 1 Million Electric Vehicles (EV) on U.S. Roads"  
NW.

9 a.m. — Members of Congress hold news conference with new member-elects to discuss support for a "Green  
Triangle.

Noon — Resources for the Future discussion on "The Road Ahead: Informing the Next Generation of Engineers"  
1530 P St. NW.

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To  
change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington,  
VA, 22209, USA**

---

## Message

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 11/30/2018 1:19:08 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Report: Pruitt stymied some OIG probes by resigning

By Alex Guillén

11/29/2018 08:17 PM EDT

EPA's inspector general has closed some of its probes into Scott Pruitt because they were unable to interview the former administrator before he resigned in July, according to [the Washington Post](#).

The end of the probes was disclosed in the Office of Inspector General's semi-annual report to Congress, which was delivered to the Hill but is not yet public, the Post said.

One probe looked at Pruitt's \$50-a-night condo rental from the wife of a lobbyist with business before EPA. The other closed probe dealt with various allegations about Pruitt's use of EPA workers and resources for personal reasons, including to find housing, to seek work for his wife and to obtain a used mattress from the Trump Hotel.

"Mr. Pruitt resigned prior to being interviewed by investigators. For that reason, the OIG deemed that the result of the investigation was inconclusive," the OIG report said. Most inspectors general do not have the authority to compel former federal employees to speak with investigators, a fact that IGs have complained in the past means many can escape consequences simply by resigning.

The report also says EPA ethics officials did not feel pressured to approve Pruitt's condo rental.

The OIG has also cleared a former top Pruitt aide, Samantha Dravis, of allegations by Sen. [Tom Carper](#) (D-Del.) that she did not work over a three month period last winter.

"Investigators interviewed witnesses, who stated that the employee was often in the EPA office and attended meetings during that time frame," the report said, according to the Post. "The allegations were not supported." Dravis resigned from EPA in April.

**WHAT'S NEXT:** The OIG still has several other Pruitt-related probes under way, including Pruitt's travel and raises granted to certain political aides.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2018/11/report-pruitt-stymied-some-oig-probes-by-resigning-2279375>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

# POLITICOPRO

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of



copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicopro.com](http://politicopro.com).

---

This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

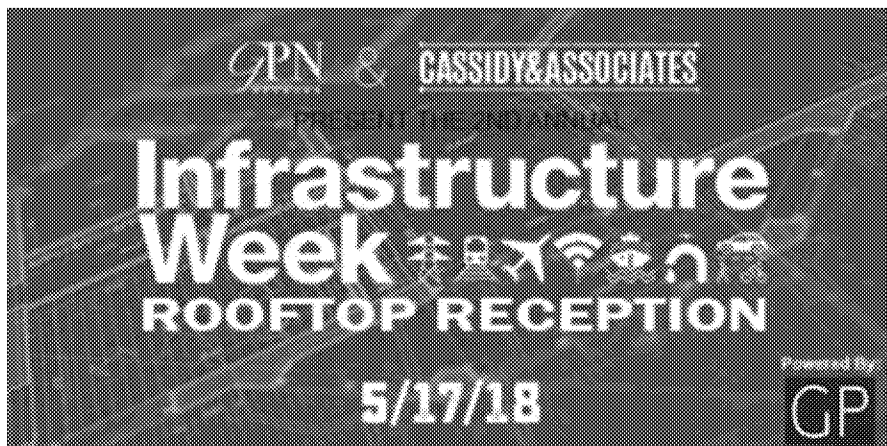
---

## Message

**From:** Charles Brittingham [cbrittingham@cassidy.com]  
**Sent:** 5/8/2018 8:27:16 PM  
**To:** CKawchak@nam.org; 'Ben.Couhig@mail.house.gov' [Ben.Couhig@mail.house.gov]; Ayres, Ben (Perdue) [Ben\_Ayres@perdue.senate.gov]; Green, Geoffrey [Geoffrey.Green@mail.house.gov]; Rob McArver [rob.mcarver@covestro.com]; Stephanie Pizzoferrato [stephanie.pizzoferrato@covestro.com]; RBoerstling@nam.org; Olsen, Elizabeth (EPW) [Elizabeth\_Olsen@epw.senate.gov]; Harding, Andrew (EPW) [Andrew\_Harding@epw.senate.gov]; 'andrew\_neely@commerce.senate.gov' [andrew\_neely@commerce.senate.gov]; Swafford, Andrew (McConnell) [Andrew\_Swafford@mccconnell.senate.gov]; 'Forbes, Andrew (Inhofe) (Andrew\_Forbes@inhofe.senate.gov)' [Andrew\_Forbes@inhofe.senate.gov]; Jackson, Ryan [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=38bc8e18791a47d88a279db2fec8bd60-Jackson, Ry]; Ghanta, Venu G [Venu.Ghanta@duke-energy.com]; Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]; 'Schaaff, Lesley (lschaaff@hess.com)' [lschaaff@hess.com]; 'Lauren Schapker (lschapker@ngwa.org)' [lschapker@ngwa.org]; Pearce, Sarah (Portman) [Sarah\_Pearce@portman.senate.gov]; 'Laura\_Atcheson@cornyn.senate.gov' [Laura\_Atcheson@cornyn.senate.gov]; Laura Berkey-Ames [lberkeyames@nam.org]; 'Louis.renjel@duke-energy.com' [Louis.renjel@duke-energy.com]; 'arenjel@transurban.com' [arenjel@transurban.com]; McGowen, Misty [Misty.McGowen@p66.com]; priyankaban489@gmail.com; 'Perry.Brody@mail.house.gov' [Perry.Brody@mail.house.gov]; 'luke.theriot@mail.house.gov' [luke.theriot@mail.house.gov]; 'Ian.Bennitt@mail.house.gov' [Ian.Bennitt@mail.house.gov]; 'Jon.Pawlow@mail.house.gov' [Jon.Pawlow@mail.house.gov]; 'Elizabeth.Fox@mail.house.gov' [Elizabeth.Fox@mail.house.gov]; Patrick.Malloy@mail.house.gov  
**Subject:** Cassidy Infrastructure Week invite  
**Importance:** High

All --

Please find the link below for our Infrastructure Week event. May 17<sup>th</sup>, 6pm – 8pm. Again, please circulate to your networks.



Invited Special Guests: Congressman Peter DeFazio (OR-04), Sean Strawbridge – CEO of the Port of Corpus Christi, America's #1 oil and gas export port.

We welcome industry, government, and non-profit leaders of infrastructure policy to join a conversation on innovative solutions to maritime and air quality infrastructure. These two segments of our infrastructure agenda are vital to the economic and health of our nation. Did you know the Port of Corpus Christi contributes \$150 billion in economic activity for the United States? Did you know cars are the single largest emitter of carbon dioxide in the transportation sector, releasing 20% of the world's carbon dioxide annually?

This event adheres to both the House and Senate Ethics Committees' guidelines regarding widely attended events.

Please RSVP <https://www.eventbrite.com/e/infrastructure-week-closing-reception-with-waterways-and-airsheds-leaders-tickets-45343675153>

Thank you.

Charles

**Charles Brittingham, II**  
Senior Vice President  
Cassidy & Associates  
202-585-2479 (direct)  
202-412-3106 (cell)

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/18/2018 9:48:18 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by ExxonMobil: All eyes on FERC — Tribe revives Interior casino fight — EPA wants comments on SAB nominees

[View online version](#)

# MORNINGENERGY

10/18/2018 05:45 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](https://twitter.com/kelseytam))

---

*With help from Darius Dixon and Alex Guillén*

**ALL EYES ON FERC:** FERC Chairman Kevin McIntyre started swinging the gavel at the agency less than a year ago, and now there's serious talk that he's giving it up as early as today. FERC is expected to announce that McIntyre will yield the chairmanship, but a couple of important plot points remain unclear even for people inside the building. There are two main ways to give up the title: Either he steps into a commissioner role, or he resigns altogether. Some sources suspect that McIntyre is aiming for the latter but his office has been mum.

**The known unknowns:** The exact timing of when McIntyre will relinquish the chairmanship remains fuzzy — and, should he resign, if he will wait until a successor is confirmed. Sources suspect that Commissioner Neil Chatterjee, a fellow Republican who briefly served as FERC chairman last year, will once again wield the gavel. Chatterjee is said to have made a trip to the White House on Tuesday but he wasn't tipping his hand when pressed by reporters on Wednesday at a DOE event. He also appeared with a security detail, which is unusual for a commissioner. Another wrinkle is that McIntyre isn't expected to

attend today's FERC meeting, much the way he couldn't attend the September session because of his health. FERC, unsurprisingly, declined to comment but ME wouldn't be surprised if the big news happens at the end of the meeting, when most commissioners announce these kinds of things.

**Oh, right, there's an agenda:** The agenda is fairly short — about a dozen items overall — but it could be a lengthy meeting. The sole rulemaking on today's agenda revisits the agency's effort to tighten cybersecurity standards around equipment and software used on the electric grid. Standards-writers at the North American Electric Reliability Corp. responded with a package of changes in September 2017, but a few months later regulators issued a proposed rule. A final rule seems likely today.

**And now that the D.C. metro area finally seems to be getting fall weather,** FERC leaders are scheduled to receive their annual briefing on the winter energy market outlook this morning too (think: natural gas storage levels, gas-electric coordination etc.). The meeting starts at 10 a.m. at FERC headquarters.

**IT'S THURSDAY!** I'm your host, Kelsey Tamborrino. The National Rural Electric Cooperative Association's Kirk Johnson was the first to identify Elmo as the first non-human to testify before a congressional committee. The Muppet testified before a House Education appropriations subcommittee hearing on music programs in public schools in 2002. For today: Name the secretary of war who was nominated to the Supreme Court but died before he could take the seat. Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**YOUR 2018 MIDTERMS HQ:** The countdown is on. Policy professionals know the 2018 midterms represent more than keeping track of winners and losers. The outcome of high-stakes contests could dramatically alter the course of policymaking across the country. Go beyond election night with POLITICO Pro's 2018 Midterms HQ. [Read more](#).

**POLITICO IS PARTNERING WITH THE MILKEN INSTITUTE** to bring a special edition of the POLITICO Pulse newsletter to the Milken Institute Future of Health Summit. Written by Dan Diamond, the newsletter will take readers inside one of the most influential gatherings of global health industry leaders and innovators as they tackle today's most pressing health challenges. The newsletter will run Oct. 23-24. [Sign up today](#) to begin receiving exclusive coverage on Day One of the summit.

## AROUND THE AGENCIES

**TRIBE REVIVES INTERIOR CASINO FIGHT:** An American Indian tribe in Connecticut wants a federal court to revive its lawsuit against Interior Secretary Ryan Zinke — the latest wrinkle in the battle between the secretary, two tribes and a casino they'd hoped to open in the state. In a filing Wednesday, the Mashantucket tribe, joined by the state of Connecticut, allege Interior's decision not to approve its casino application last year "was the product of improper political influence and was therefore 'arbitrary and capricious'" and in violation of the Administrative Procedure Act, POLITICO's Nick Juliano reports. At the time of Interior's application denial, the Las Vegas-based MGM had opened its own casino in Massachusetts that would have faced competition from the tribes.

According to the new filing, Interior officials advised both tribes "that the Department had prepared draft approval letters," but a week later told them it was returning the documents without taking any action. Despite "repeated affirmations to the Tribe that the Tribal-State Agreement would be approved and widespread acknowledgment among the Department's experts that there was no basis to disapprove the Tribal-State Agreement, the Department ultimately buckled under undue political pressure from both Senator Dean Heller (R-NV) and Representative Mark Amodei (R-NV-02)," the filing alleges. It's worth noting, Interior's decision is already under investigation by the agency's Office of Inspector General, which faces scrutiny this week after it was reported a political appointee from HUD would oversee investigations.

**NOM NOM NOM — EPA WANTS COMMENTS ON SAB NOMINEES:** EPA is taking comment on 174 candidates for seats on the Science Advisory Board, which is looking into how the agency has used science in its various deregulatory efforts and provides expert advice to policy makers. Acting Administrator Andrew Wheeler will fill around 15 seats that opened up recently via expired terms. Comments are due by Nov. 7. Here's the full list of nominees with biographies.

**McCARTHY BACK AT EPA?** Former EPA Administrator Gina McCarthy returns to the agency today to unveil her official portrait, as ME reported earlier this week. The agency said the event was closed to the press, but McCarthy's spokesperson previously told ME she "looks forward to seeing current and former staff and thanking them for their commitment to EPA's mission."

## APPROPRIATIONS

**DISASTER FUNDING AHEAD?** Talk of tacking disaster aid funding for areas hit by Hurricane Michael onto one of lawmakers' remaining must-pass spending packages emerged this week, as Pro Ag's Catherine Boudreau reported. "I think you're going to see,

when we get back after the election, a lot of pressure from members that are in that hurricane area to either add something to the farm bill or appropriations," House Agriculture ranking member Collin Peterson said during a radio interview. He added that such efforts "could potentially give us more problems to solve than we already have." Recall: The spending package, H.R. 6147 (115), which includes the Interior-Environment title, is currently being funded through a continuing resolution and has not yet passed.

## BEYOND THE BELTWAY

**REPORT: RENEWABLE SHIFT COMING BY 2035:** The age of oil and gas will be knocked from its reign by renewables within the next 20 years, a new report from Wood Mackenzie found. The energy advisory firm's report, which looked at the global energy transition, found that the tipping point will arrive by 2035, when between 15 percent to 20 percent of global power needs will come from solar or wind, "enough to displace the equivalent of roughly 100 [billion cubic feet per day] of gas demand." The report also found that by 2035, upward of 15 percent to 20 percent of "all miles traveled globally by cars, trucks, buses and bikes will use electric motors rather than gasoline or diesel."

After the so-called point of singularity, "adoption rates for renewable generation and electrified transport increase rapidly as they become the default choice across many energy systems around the world," the report said. "So much so that half of all new power plants constructed globally are either solar or wind, or a hybrid combination with storage."

**\*\* Presented by ExxonMobil:** Over the next five years, ExxonMobil plans to invest \$50 billion in the U.S. economy to expand its business. That kind of investment will not only create jobs in energy but also help support millions of American jobs in other industries. EnergyFactor.com \*\*

**TRUMP'S FIRE-Y RHETORIC:** President Donald Trump said Wednesday that forest fires in California "should never be to the extent" they are and suggested the administration could withhold funding used to fight the blazes. "I say to the governor or whoever's going to be the governor of California, you better get your act together," he said at a Cabinet meeting. "We're just not going to continue to pay the kind of money that we've been paying because of fires that should never be to the extent," he said.

The president went on to say the fires are costing the country billions "because of incompetence" in California. "It's hurting our budget, it's hurting our country. And they just better get their act together." CAL Fire estimated firefighting costs were \$773 million for fiscal 2018, with figures steadily climbing since 2013. The department has, in part, pointed

to rising temperatures across the state driven by climate change for increasing the frequency of fires.

**BACK ON THE BALLOT:** A Florida measure related to offshore drilling is back on the ballot, after the state's Supreme Court ruled unanimously Wednesday that a lower court erred when it removed three proposed constitutional amendments from the November ballot, Pro Florida's Matt Dixon reports. A case had been brought against the "bundling" of amendments on the ballot, in which several separate proposals were rolled into one ballot item. The court ruled that the practice is legal, meaning voters in fewer than 20 days will get to weigh in on Amendment 9 — a proposal that bundles a ban on oil drilling in state waters off Florida's coast with a ban on vaping in indoor workplaces.

## CLIMATE CHANGE

**DO YOU REMEMBER, THE HOTTEST TEMPERATURES OF SEPTEMBER?** Last month was the fourth hottest September on record globally, according to monthly data from scientists at NOAA's National Centers for Environmental Information. The average September global temperature was 1.40 degrees Fahrenheit above the 20th century average of 59 degrees. That means the past five Septembers have ranked as the warmest on record for global land and ocean surface temperature for that month.

Scientists also found the year-to-date average global temperature was 1.39 degrees F above the average of 57.5 degrees — the fourth highest on record for the January-through-September period. Those figures come the same week the president said on multiple occasions that the climate "goes back and forth," ignoring the scientific community's overwhelming consensus that temperatures are consistently rising and are largely fueled by human activity.

**Related:** The American Meteorological Society called the president's comments that scientists have a political agenda both "misleading and very damaging." In a letter Wednesday, AMS Executive Director Keith Seitter wrote that he'd be happy to work with the president and his staff "to ensure that they have full access to credible and scientifically validated information as you navigate the many difficult policy areas impacted by the Earth's changing climate."

## MAIL CALL

**The biodiesel industry** wants EPA to set 2020 biomass-based diesel volumes "at a level (2.8 billion gallons) that supports our demonstrated ability to produce fuel," National Biodiesel Board's vice president for federal affairs, Kurt Kovarik, wrote in a letter to



Wheeler. Additionally, Kovarik urged EPA to "fully account for the small refinery exemptions when setting the annual standards."

## MOVERS AND SHAKERS

**Mike Kruger** is the first president and CEO of the Colorado Solar Energy Industries Association, the trade group announced Wednesday. Kruger was previously the director of communications for the Smart Electric Power Alliance.

**Connor Hamburg** joined the Renewable Fuels Association as director of government affairs, the ethanol trade group said. Hamburg most recently served as manager of public policy and regulatory affairs at the National Corn Growers Association.

## QUICK HITS

- "U.S. clean-air regulators talk with Volvo over truck emissions," [Bloomberg](#).
- "Christine Hallquist would like to talk about the power grid," [The New York Times](#).
- "Trump and coal: 'The boss wants what the boss wants,'" [E&E News](#).
- "U.S. states opposed to offshore drilling find hope in Zinke's words," [Reuters](#).
- "Everglades: Climate change threatens years of work to reverse man-made damage," [The Guardian](#).
- "Tesla secures land in Shanghai for first factory outside U.S.," [Associated Press](#).

## HAPPENING TODAY

Noon — Atlantic Council [discussion](#) on "The Role of Advanced Energy in National Security and a Resilient Grid," 1030 15th St. NW.

12:30 p.m. — Georgetown University's Walsh School of Foreign Service holds an Energy and Climate Policy [seminar](#) on "Covering Climate Change in the Age of Donald Trump," 3600 N St. NW.

Noon — The Property Casualty Insurers Association of America [forum](#) on "Flood Insurance: Bridging the Gap," 2247 Rayburn.

12:30 p.m. — The American Security Project [discussion](#) on "Guyana: Building Sustainable Security — Oil and Geopolitics," 1201 Pennsylvania Ave. NW.

*CORRECTION: The Oct. 17 edition of Morning Energy incorrectly stated the estimated timeline of EPA's Lead and Cooper rule. It is February 2019.*

**THAT'S ALL FOR ME!**

**\*\* Presented by ExxonMobil:** Energy is fundamental to modern life and drives economic prosperity - in small communities across America and around the world. We need a range of solutions to meet growing energy demand while reducing emissions to address the risk of climate change. Visit the Energy Factor to learn more about some of the bold ideas and next-generation technologies we're working on to meet this challenge: [EnergyFactor.com](https://EnergyFactor.com) \*\*

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/22/2018 9:49:19 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by Chevron: To bailout or not, that is McNamee's question — Firms ready for energy oversight — HUD official resigns

[View online version](#)

# MORNINGENERGY

10/22/2018 05:46 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

---

*With help from Darius Dixon and Eric Wolff*

**BERNIE'S CHOICE:** President Donald Trump's FERC nominee Bernard McNamee once helped author a plan to aid ailing coal and nuclear power plants. But if you ask his former colleagues, McNamee is a free-market conservative who won't bend to political pressure. That dichotomy is likely to play out next month when McNamee faces a Senate panel that is looking to see if "he's aligned himself too closely with the political agenda of the Trump administration or if he would be an impartial arbiter of the rules overseeing an evolving power grid," Pro's Zack Colman reports this morning.

"Some people in the Trump administration may think that he's just going to be a 'yes man' for them, but anyone who thinks that, well, they picked the wrong person," said Kenny Stein, director of policy and federal affairs with the Institute for Energy Research who worked with McNamee on Texas Sen. Ted Cruz's staff. McNamee's defenders say he wasn't the mastermind behind the subsidy proposal that the White House has pushed, but should the since-shelved plan re-emerge, others worry McNamee might tilt the balance toward intervening on behalf of coal. "I'm just incredibly skeptical that he's going to do anything

other than put a big thumb on the scale of coal when he arrives at the commission," said John Coequyt, global climate policy director with the Sierra Club.

Energy experts who've watched the nomination process also "doubt the White House would have nominated anyone who didn't pass the litmus test of backing its call to bolster grid resilience with support coal and nuclear power — as McNamee has in congressional testimony defended giving those plants credit for providing on-site fuel storage," Zack writes. "DOE had a lot of influence in this FERC commissioner selection," said an energy industry source familiar with the administration's thinking. "Reach your conclusions from there." [Read the story.](#)

**LAW FIRMS GEAR UP FOR CONGRESSIONAL FIGHTS:** Should Democrats win back the House in November, Washington law firms want to be ready for what they expect to be a boom in business, Pro's Marianne LeVine [reports](#), anticipating oil and gas companies are among the industries that will need help navigating a flurry of oversight investigations. Democrats [have already said](#) they'd aim to aggressively conduct oversight on Interior Secretary Ryan Zinke.

But elsewhere, law firms like Covington & Burling and Akin Gump that specialize in helping businesses manage congressional investigations have been tracking Democrats' criticisms of a host of corporations all year — including chemical companies that have benefited from the relaxation of regulations by EPA and oil and gas companies that are also vulnerable. "There is a ton of pent-up investigative activity and interest on the Hill," Rafi Prober, a partner at Akin Gump, told Marianne. "Companies doing business with Trump and his business, or the executive branch through contracting, those are going to be areas ripe for investigation."

**GOOD MONDAY MORNING!** I'm your host, Kelsey Tamborrino. League of Conservation Voters' Arian Rubio was first to identify the three countries that begin with the letter "J": Japan, Jordan and Jamaica. For today: The third woman ever elected to the Senate was from what state? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](#), [@Morning\\_Energy](#) and [@POLITICOPro](#).

**POLITICO IS PARTNERING WITH THE MILKEN INSTITUTE** to bring a special edition of the POLITICO Pulse newsletter to the Milken Institute Future of Health Summit. Written by Dan Diamond, the newsletter will take readers inside one of the most influential gatherings of global health industry leaders and innovators as they tackle today's most pressing health challenges. The newsletter will run Oct. 23-24. [Sign up today](#) to begin receiving exclusive coverage on Day One of the summit.

## FERC

**FERC, THE NEVER-ENDING STORY:** Well, we're glad we didn't cancel our weekend plans worrying about when a statement about the fate of Kevin McIntyre might drop. The FERC chairman's future is as unclear now as it was at this time on Friday. The energy world has been waiting since midday Thursday for a statement about whether McIntyre would give up the gavel and become a commissioner, or resign outright. We're still leaning on the commissioner route, but details are still sketchy. The commission has only put out two notational orders since Thursday's meeting (one on Thursday and one on Friday) and McIntyre didn't participate in either.

## AROUND THE AGENCIES

**HUD OFFICIAL RESIGNS AMID REPORTS:** Following a week of back and forth between the White House, Interior Department and the Department of Housing and Urban Development, the top HUD official who Secretary Ben Carson said was tapped for an inspector general job at Interior resigned on Friday, POLITICO's Ben Lefebvre [reports](#). HUD Assistant Secretary Suzanne Tufts "has offered her resignation and it has been accepted," HUD spokesman Raffi Williams wrote in an email Friday. Earlier in the day, the White House [denied](#) that it had suggested Tufts as a candidate to lead the Interior watchdog, echoing a previous [denial](#) from Interior that Tufts had been hired, and drawing further scrutiny on Carson's [email to staff](#) that Tufts was heading to Interior.

**\*\* Presented by Chevron:** Role models help young women pursue STEM education and careers, and Chevron is dedicated to STEM initiatives through its partnerships and programs. Record a Thank You video for the role model who inspired you [here](#). \*\*

**EPA WITHDRAWS URANIUM RULE:** EPA [said](#) Friday it withdrew an Obama-era proposal targeting safety compliance for uranium miners that was introduced one day before Trump took office. "In a rush to regulate during the waning hours of the previous administration, the Agency proposed a regulation that would have imposed significant burdens on uranium miners and the communities they support," acting EPA Administrator Andrew Wheeler said in a statement.

Hal Quinn, president and CEO of the National Mining Association, called the original Obama proposal "fundamentally flawed" and "yet another hangover from the regulatory overreach of the prior administration." But in a statement to ME, Geoffrey Fettus, a senior attorney in the nuclear program at NRDC, said the withdrawal "consigns yet more scarce

western water resources to severe pollution from the uranium industry," and added the organization would "be examining the withdrawal closely."

**ZINKE HELPS HAMM, LANCE TO NONPROFIT BOARD:** ConocoPhillips CEO Ryan Lance and Frontier Resources CEO Harold Hamm quietly joined the board of the National Fish and Wildlife Foundation, according to a batch of emails released to the Sierra Club under the Freedom of Information Act. Zinke tells NFWF CEO Jeff Trandahl that "Hamm and Lance are in" in an email dated Oct. 1, 2017. The email follows a note from former International Paper CEO John V. Faraci, who says he spoke to Hamm and persuaded him to join the board. The appointments don't appear to have been publicly announced, but Hamm and Lance are listed as serving on the board of the NFWF, a congressionally chartered foundation that partners with local governments and private businesses to restore and conserve land.

**WHERE'S ZINKE?** The Interior secretary is in Denver today to announce a new partnership between the Colorado School of Mines and the U.S. Geological Survey.

**BROUILLETTE HEADS TO JAPAN:** Deputy Energy Secretary Dan Brouillette travels to Nagoya, Japan today, where he'll participate in the LNG Producer-Consumer Conference 2018 and deliver a keynote speech on the future of U.S. LNG and energy cooperation in Asia. The deputy secretary will then head to the Hydrogen Energy Ministerial on Tuesday hosted by Japan's Ministry of Economy, Trade and Industry and the New Energy and Industrial Technology Development Organization. While there, Brouillette will provide remarks on the "utilization of hydrogen on a global scale," the department said.

## THE WHITE HOUSE

**KIDS' CLIMATE SUIT STALLED:** Supreme Court Chief Justice John Roberts temporarily put a hold Friday on the climate change lawsuit brought by a group of children and young adults against the federal government, Pro's Alex Guillén reports . Roberts' brief order stays the trial and discovery in order to let the children's attorneys respond to a request from the Trump administration that the Supreme Court halt the case before it reaches trial later this month. He directed them to respond by 3 p.m. this Wednesday, but it's not clear how quickly the Supreme Court will act after that deadline, Alex reports, or if the trial would be able proceed as scheduled on Oct. 29. Roberts indicated he may direct the bigger question of whether to halt the trial for the long term to the high court.

**TRUMP'S MIXED MESSAGE ON YUCCA:** The president offered conflicting words in the long-running debate over the Yucca Mountain nuclear site while he was in Nevada this weekend. Trump spoke Saturday before a crowd in Elko, Nev., where he also told local NBC

affiliate reporter Joe Hart he was against developing Yucca Mountain as a nuclear waste storage site — a comment that stands squarely opposed to the president's own budgets requests. Though Congress eventually nixed the idea, the White House's fiscal 2019 budget request included \$120 million to restart licensing activities for the nuclear waste repository and to initiate an interim storage program.

## ON THE HILL

**LONG LIVE INFRASTRUCTURE WEEK?** A possible grand bargain on infrastructure might be in the works in the lead-up to the November midterms, Pro Transportation's Tanya Snyder reports, with Trump and key Democrats suggesting they could cooperate on a trillion-dollar plan if control of the House flips next month. For one, a Democratic House might be more willing than the current Congress to devote big money to rebuilding infrastructure, but much like in previous efforts, lawmakers would still face a fundamental problem when it comes to raising the necessary funds, Tanya reports.

One infrastructure lobbyist told Tanya that even some of the more plausible funding scenarios, such as a hike in the federal gasoline tax, would probably yield an infrastructure initiative "more limited than what people are talking about." Others say it's high time to get over past reluctance and raise the gas tax, like Rep. Peter DeFazio, who could be in line to chair the House Transportation Committee. DeFazio has put together \$560 billion paid for largely by indexing the gas tax to inflation, but it would be hard to get through the Senate, where Minority Leader Chuck Schumer is on record as opposing a gas tax increase.

## MAIL CALL

**ABOUT THAT ESA GUIDANCE:** House Natural Resources ranking member Raúl Grijalva called on Zinke to provide further information about newly reported Fish and Wildlife Service guidance that dictates what should be released about the Endangered Species Act under FOIA. The letter follows a report from The Guardian last week that detailed private September guidance sent to offices recommending records that "should be considered for withholding in full or in part" from the public. In his letter, Grijalva writes the "guidance undermines the implementation of the Endangered Species Act, and it significantly hinders the ability of the American people to hold their federal government accountable for its actions."

## QUICK HITS

- "\$2.5 billion in storm losses, but don't ask Georgia farmers about climate change," [The New York Times](#).
- "Perry defends subsidy plan for coal, nuclear power," [Chron.com](#).
- "Frackers bet on new terminals to boost oil exports," [The Wall Street Journal](#).
- "Trump's NASA administrator: 'No reason' to dismiss U.N. climate report," [The Atlantic](#).
- "Patagonia endorses Democrats Tester, Rosen in Senate races," [Associated Press](#).
- "U.S. diplomats expect Congress, not Trump, to lead on punishing Saudi Arabia over Khashoggi," [Washington Examiner](#).
- "Michigan warns of PFAS levels in deer around Air Force base," [MLive.com](#).

## HAPPENING THIS WEEK

### MONDAY

10 a.m. — The Henry L. Stimson Center and TRENDS Research & Advisory [discussion](#) on "United Arab Emirates Energy Diplomacy and the Global South," 1211 Connecticut Avenue NW.

11:30 a.m. — The Women's Council on Energy and the Environment [discussion](#) with United Nations High Commissioner for Refugees experts on how refugees' lives are being transformed with safe and sustainable energy, 1825 I Street NW.

2 p.m. — Brookings Institution [discussion](#) on "The New Dynamics of Global Energy and Climate," 1775 Massachusetts Avenue NW.

7:30 p.m. — The Citizens' Climate Education and the Center for Climate and Security [film screening](#) on "Military Preparedness in a Changing Climate," McLean, Va.

### TUESDAY

9:40 a.m. — The Global America Business Institute and Pillsbury Winthrop Shaw Pittman LLP [workshop](#) on "Nuclear Innovation: Clean Energy Future initiative," 1200 17th Street NW.



2 p.m. — Environmental Law Institute 2018 Corporate Forum on "Corporate Governance in an Age of Increased Environmental Accountability, Liability and Risk," 2500 Calvert Street NW.

3 p.m. — The Environmental and Energy Study Institute briefing on "Wood: The Building Material of the Future?" 562 Dirksen.

## WEDNESDAY

9 a.m. — Shale Insight 2018 begins, Pittsburgh.

11 a.m. — The National Academies of Sciences, Engineering, and Medicine briefing on a report titled "Negative Emissions Technologies and Reliable Sequestration: A Research Agenda," 2101 Constitution Avenue NW.

Noon — The University of Maryland's School of Public Policy forum on "Managing China's Coal-Dominated Power System for CO<sub>2</sub>, Air Pollution and Water Objectives," College Park, Md.

Noon — American Gas Association discussion on "the current political environment and what the energy industry can expect to see as people line up for the polls and cast their votes," 400 North Capitol Street NW.

1 p.m. — American Council on Energy Renewables webinar on "State of the Industry Webinar: How U.S. Cities are Driving Demand for Renewables."

1 p.m. — The Electric Drive Transportation Association meeting on "Electric Trucks and Transit: Moving the Medium- and Heavy-Duty Market," 14th and F Streets NW.

## THURSDAY

9 a.m. — Pepco, the Natural Resources Defense Council, Lyft and the District of Columbia's Transportation Department discussion on "Making Transportation Electrification Reality in the District," 14th and F Streets NW.

9 a.m. — The National Academy of Sciences' Committee on Earth Resources meeting on "Progress, Challenges, and Opportunities for Research on Upstream Aspects of U.S. Coal Production," 2101 Constitution Avenue NW.

9 a.m. — Inter-American Dialogue holds Latin America Energy Conference, with the theme "Market Tailwinds, Political Headwinds," 1155 15th Street NW.

9:30 a.m. — The Johns Hopkins University Paul H. Nitze School of Advanced International Studies discussion on "International Energy Agency's Renewable Energy Market Report 2018," 1740 Massachusetts Avenue NW.

1 p.m. — The Woodrow Wilson Center's Canada Institute discussion on "Indigenous Involvement in North America's Energy Future: Respecting Rights Through New Relationships," 1300 Pennsylvania Avenue NW.

3 p.m. — Environmental and Energy Study Institute briefing on "Energy Efficiency: America's Job-Creation Powerhouse," 2168 Rayburn.

### THAT'S ALL FOR ME!

**\*\* Presented by Chevron:** Women make up nearly half of the U.S. workforce, yet hold about 25% of STEM jobs. This presents a problem for U.S. companies who need a strong and diverse STEM talent pool. To help address this need, Chevron has invested \$400MM since 2013 to support education globally. See how Chevron is partnering with various organizations to inspire more girls to enter STEM fields.

<http://www.chevron.com/education> \*\*

[View online](#)

You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>

---

# POLITICOPRO

---

This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 12/20/2018 10:47:56 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: 'Tis the stopgap season — One-on-one with Bobby Rush — Hoyer: Climate panel unlikely to have subpoena power

[View online version](#)

# MORNINGENERGY

12/20/2018 05:45 AM EDT

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](https://twitter.com/kelseytam))

*With help from Anthony Adragna, Darius Dixon and Sarah Ferris*

**PROGRAMMING NOTE:** *Morning Energy* will not publish from Dec. 24-Jan 1. Our next newsletter will publish on Jan. 2. Please continue to follow Pro Energy issues [here](#).

**'TIS THE STOPGAP SEASON:** Senators late last night passed a seven-week stopgap spending measure, H.R. 695 (115), by voice vote to avert a partial government shutdown at week's end. The bill would fund the government through Feb. 8 for nine agencies, including Interior and EPA. It heads to the House today, where it is expected to pass.

**See you in January:** Senate Energy Chairman Lisa Murkowski's bid to pass a broad western public lands bill, including a permanent reauthorization of the Land and Water Conservation Fund, came up short thanks to an objection from Sen. Mike Lee, but she won a commitment from Senate leaders to take it up as one of the first orders of business in the new Congress. "This will be an opportunity to study every single page that you want because you'll have an opportunity to vote on this thumbs up or thumbs down when we return in January," she said on the floor. Murkowski said she made "some significant offers" but they

were summarily rejected by Lee and others despite the broad bipartisan support for the underlying lands package. Murkowski said 43 members of the chamber had at least one provision in the package.

**What happened:** After the chamber cleared the short-term CR, Murkowski asked consent to pass the lands package but Lee objected, citing the fact he'd just seen the 600-plus page bill earlier that morning and that Utah was treated unfairly in the measure. "This hurts," he said of the bill's impact to his state. "Why are we just receiving this just now?" Lee has objected to any permanent reauthorization of LWCF for months. "I don't believe it was a coincidence that I wasn't informed" that a permanent LWCF provision was included in the bill, Lee said.

**Republican friendly fire:** Sen. Cory Gardner said the Senate offered Lee a chance to address his concerns through votes Wednesday. "I'm pretty doggone upset about this," he said, pounding his fist on his Senate desk. "Why can't we have a vote? Why can't we let people who don't like [LWCF], vote no. People who like it, vote yes."

**Quotable:** House Natural Resources Chairman Rob Bishop isn't sure about a land package's path to passage in the House as a stand-alone bill, as Pro's Anthony Adragna reports. "I know packages are dumb. They're bad but it's going to be worse next year. We won't get as much. We'll get more stuff we don't like next year," he said. "I'm not holding up what I have just because I don't get everything that I wanted to originally."

**WELCOME TO FRIDAY EVE!** I'm your host, Kelsey Tamborrino. There are competing claims as to which president was first to place a Christmas tree in the White House, with some crediting Franklin Pierce and others Benjamin Harrison, so we'll give the trivia win to Bracewell's Frank Maisano, who named both. For today: Which state has supplied the most trees placed in the White House Blue Room over the years? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

## ALSO ON THE HILL

**ONE-ON-ONE WITH BOBBY RUSH:** The likely next chairman of the House Energy and Commerce Subcommittee on Energy talked the select committee on climate change, the possibility of an infrastructure bill in the first 100 days of the next Congress and his other priorities in a Q&A with Pro's Eric Wolff. Here are some key takeaways:

— **On his top priority:** "I want to fight the good fight to keep our jurisdiction from being diluted to the point we have no jurisdiction at all. They seem hellbent on getting rich on Energy and Commerce and eating off the skeleton of what it used to be."

— **On supporters of a select committee on climate change:** "Where were you when the going was tough? Where were you when we were the voice in the wilderness? Where were you then? And so I really think that it's foolhardy, it's unnecessary. The last time we had a select committee, the only thing that came out of it was Sen. [Ed] Markey was able to use it as an arrow in his quiver to help get elected to the Senate."

— **On his policy focus:** "I know a lot of my time is going to be spent on climate change. I don't have right now what kind of policies. ... I don't like this whole idea of FERC and FCC having these kind of fights. We want to be telling FERC that they don't put their hand on the scale."

**HOYER: CLIMATE PANEL UNLIKELY TO HAVE SUBPOENA POWER:** House Minority Whip Steny Hoyer says a climate panel next Congress is unlikely to have subpoena power. "I don't think that they think they need subpoena power. They're going to have experts who are, I think, dying to come before them," he told reporters Wednesday. "I don't think the question of subpoena power is going to, in any way, undermine their ability to move forward."

**Progressives panned the prospect.** "If true, this decision is an insult to the thousands of young people across the country who have been calling on the Democratic Party leadership to have the courage to stand up to fossil fuel billionaires and make sure our generation has a livable future," said Varshini Prakash, spokeswoman of the Sunrise Movement, in a statement. In a tweet, Rep.-elect Alexandria Ocasio-Cortez responded that "a weak committee misses the point & endangers people."

**INTERIOR SCUTTLE:** Bishop told reporters Wednesday he hasn't been in touch with the White House about the soon-to-be vacant Interior slot. He declined to say who he preferred for the role, but added, "There are a lot of people who would be good fits. I think I know almost all of [the candidates]." His counterpart, Rep. Raúl Grijalva, thought Bishop might be the best fit out there: "Although we are deeply divided and in opposition to each other on his view and my view in terms of Interior, he's been there and he's been a formidable foe," Grijalva told ME. "We go in different directions but it's not a personal hatred or meanness about it." As for the odds he'd become secretary, Bishop quipped: "Don't bet your retirement on that."

**TAX TALK:** The CR signals the likely end to any hope of passing a year-end tax bill, [H.R. 88 \(115\)](#) — a priority for coal companies. They have "been fighting a bid to prevent an automatic 55 percent decline next year in an excise tax on coal, which will blow a hole in the budget of a program providing benefits to coal workers affected by lung disease related to mining," Pro Brian Faler's [reports](#).

**CARBON TAX TALK:** Sens. [Jeff Flake](#) and [Chris Coons](#) introduced carbon tax legislation Wednesday as a companion bill to the House version of the Energy Innovation and Carbon Dividend Act [introduced](#) last month. "With the administration's recent climate assessment and skeptical response from the president, Republicans need to be at the forefront of addressing climate change," Flake said in a statement. Read the [bill text](#) and the [one-pager](#).

**FOR YOUR RADAR:** House lawmakers last night approved the Water Infrastructure Improvement Act, [H.R. 7279 \(115\)](#), by a vote of 351-10, Pro's Annie Snider [reports](#). The bill is aimed at helping communities balance multiple, court-mandated water upgrades.

## AROUND THE AGENCIES

**HAPPY HOLI-FERC:** Today is the last meeting of another drama-filled year at FERC — Neil Chatterjee retook the chairmanship, a controversial chief of staff got more controversial, Rob Powelson resigned, and Bernard McNamee was narrowly confirmed. The meeting seems set up to be a short one, but there are a handful of interesting items afoot, particularly in the natural gas space.

**There are four gas certificate items on the agenda**, and two look like potentially new approvals: Dominion's Sweden Valley pipeline project and Venture Global's Calcasieu Pass LNG terminal. There are two rulemakings on the agenda, including a new docket aimed at refining the analyses of sellers' horizontal power in the wholesale electricity markets. Today is also McNamee's first public appearance since he was sworn in last week, so we'll be looking for protesters. The meeting starts at 10 a.m. at FERC headquarters.

**WATCHDOGS STILL REVIEWING 'LOST DATA' AT FERC:** While the Energy Department's inspector general didn't find any gaps in FERC's unclassified cybersecurity program during the fiscal year that ended in September, according to a [report](#) on Wednesday, watchdogs are still studying a "security incident" from 2017. FERC promptly initiated a review but the IG's office "found that FERC was still in the process of reviewing the impact of the incident and completing its analysis." FERC management said the "incident" was pretty sophisticated. "Due to the size and complexity of the incident, FERC management assigned multiple subject matter experts from each of the affected program

offices to provide detailed analysis of the lost data," FERC Executive Director Anton Porter wrote in a letter to the IG.

**DOJ FILES SUIT ON CONSERVATION EASEMENTS:** The Justice Department filed a lawsuit Wednesday seeking to stop Georgia-based promoters of a conservation easement tax scheme from operating in the state. The lawsuit, filed in the U.S. District Court for the Northern District of Georgia, alleges the scheme focused on donations of conservation easements and corresponding tax benefits from those donations, as well as "grossly overvalued" appraisals. According to the DOJ, the promoters "organized, promoted, and sold at least 96 conservation easement syndicates" resulting in more than \$2 billion of tax deductions from overvalued and improper qualified conservation contributions.

## QUICK HITS

- "Wolverine sues 3M over PFAS contamination," MLive.com.
- "Cap-and-trade for cars is coming to the Northeast," Scientific American.
- "Ga. regulatory staff warn of lawsuit if Vogtle costs not prudent," S&P Global Market Intelligence.
- "Governors agree to study sending gas to Asia through Mexico," Associated Press.

## HAPPENING TODAY

\*crickets\*

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

## Message

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 12/19/2018 4:32:22 PM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Cummings vows to continue Pruitt probes next Congress

By Anthony Adragna

12/19/2018 11:30 AM EDT

Rep. Elijah Cummings (D-Md.) today said he would continue the investigations into potential misconduct by former EPA Administrator Scott Pruitt when he takes the gavel of the House Oversight and Government Reform Committee next year.

Cummings sent a letter to acting Administrator Andrew Wheeler reiterating demands made by outgoing Chairman Trey Gowdy (R-S.C.) throughout the year for EPA to deliver documents to the committee.

"These are documents that even the Republicans on the Oversight Committee — at least at some point in time — believed we needed to conduct effective oversight, but when the Trump Administration refused to comply fully, the Republicans would not issue a single subpoena," Cummings said in a statement today.

"Many of these requests were bipartisan, and some are now more than a year old. As Democrats prepare to take the reins in Congress, we are insisting — as a basic first step — that the Trump Administration and others comply with these Republican requests," he said.

Those letters demanded information on a wide variety of topics, including whether Pruitt obtained waivers for first-class travel, his \$50-per-night lease for a Capitol Hill condo Pruitt obtained in 2017 and the decision to provide him with unprecedented round the clock security protection.

Republicans and Democrats on Oversight teamed up for a series of interviews with Pruitt's closest aides, though they have not made any of their investigative findings public. Pruitt ultimately resigned in July amid an unrelenting series of ethical woes and scandals.

**WHAT'S NEXT** Cummings requested the agency provide all relevant documents by Jan. 11.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2018/12/cummings-vows-to-continue-pruitt-probes-next-congress-2387324>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicopro.com](http://politicopro.com).



---

This email was sent to gunasekara.mandy@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/31/2018 9:52:00 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: What's going on at Interior? — Chatterjee chats — ACE comments due

[View online version](#)

# MORNINGENERGY

10/31/2018 05:45 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

---

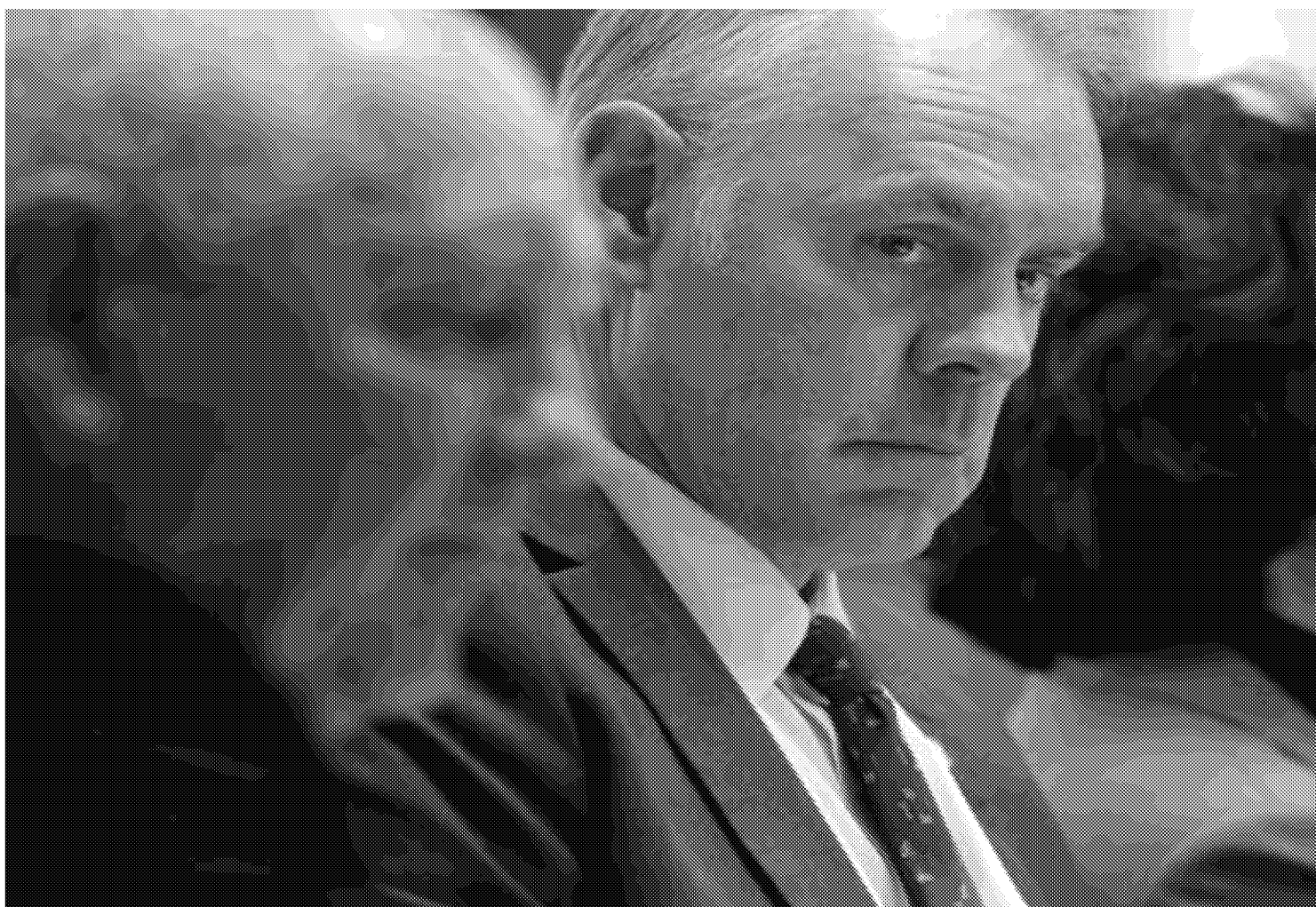
*With help from Darius Dixon*

**FEDS UP?** At least one of the multiple probes into Interior Secretary Ryan Zinke appears to have sparked the agency's watchdog. Interior's Office of Inspector General has referred one of its investigations to the Justice Department, a ominous sign for Zinke, who may also be eyeing the exits after the election. The report from The Washington Post, citing anonymous sources didn't say which of the ethics or travel probes was under scrutiny, and the IG's office declined to comment. But the New York Times reported a "person familiar with the matter, who was not authorized to speak on the record, was highly likely" the referral involved Zinke's role in a Montana land deal with Halliburton Chairman David Lesar.

As POLITICO first reported earlier this year, a Lesar-backed development group is planning a large real estate development in Zinke's hometown with assistance from a nonprofit foundation established by the secretary and now run by his wife. The development will likely increase the value of nearby property owned by the Zinke's and includes a microbrewery, a project the secretary has spent years pursuing. (Catch up: Zinke linked to real estate deal with Halliburton chairman | Probe of Zinke's beer-making plans deepens | Zinke tries to explain meeting with Halliburton chairman | Interior watchdog opens probe of land deal | Interior watchdog scrutinize Zinke's beer-making plans)

**Never heard of it:** Despite the reports, Zinke's lawyer says the secretary has not been contacted by DOJ, and Eric Wolff report. "It is disappointing that unsubstantiated and anonymous sources have described a members of the media, as this violates DOJ and IG policy direction. The Secretary has done nothing wrong partner at McDermott Will and Emery acting as counsel to Zinke.

**All in the timing:** Keep in mind, if the House flips next week, Zinke will be looking at several oversight in installed committee chairmen who've been itching for months to investigate the Montanan. House Natural member Raúl Grijalva said Tuesday if Democrats take the House, "Zinke will be called to testify in February office merited referral to the Justice Department, whether that referral was related to the recent attempted general, and his many other failures and scandals."



Interior Secretary Ryan Zinke attends a cabinet meeting with President Donald Trump in the Cabinet Room on Oct. 17.

**But wait there's more:** DOJ also began looking into former EPA Administrator Scott Pruitt's ethical conflict of interest agency, sources familiar with the matter tell CNN. That inquiry followed a referral by the EPA inspector general that a lobbyist-connected condo Pruitt rented on Capitol Hill for \$50 a night. CNN reports that probe has stalled.

**WELCOME TO WEDNESDAY** and happy Halloween! I'm your host, Kelsey Tamborrino, here with a reminder that "climate change, government officials," water pollution and global warming all rank in the top 10 fears reported by American government officials, according to a [Chapman University survey](#). On to trivia: The League of Conservation Voters' Tiernan Sittenfeld was first time both senators from one state were up for election at the same time — in both Oklahoma and South Carolina. For Halloween, today's question is pumpkin related. From which country did the idea of jack-o'-lanterns originate? For something energy-related this year, let ME know and send your tips, energy gossip and comments to [ktamborrino@epa.gov](#). Follow us on Twitter [@kelseytam](#), [@Morning\\_Energy](#) and [@POLITICOPro](#).

**Election Day is almost here.** Have you made your POLITICO Playbook Election Challenge picks yet? Do you want to compete against the nation's top political minds in the POLITICO Playbook Election Challenge by correctly predicting the winners of candidates in some of the most competitive House, Senate and gubernatorial races in the country. Win awards and bragging rights. The contest closes at 6 a.m. on Nov. 6. Sign up today. Visit [politico.com/playbookelection](http://politico.com/playbookelection).

## AROUND THE AGENCIES

**CHAIRMAN CHAT:** Neil Chatterjee did something of a media blitz last year when he was FERC chairman. Now that he's found himself in the position again he has invited the press back into the fold today with a roundtable. FERC Commissioner Kevin McIntyre wasn't really any more press-averse than previous FERC chairmen, but his recent announcement about his poor health private sent the FERC-o-sphere spiraling with rumors and what-if scenarios.

The rumor mill has churned over everything from the likelihood that McIntyre leaves FERC to potential successors. Don't think of anyone who wishes McIntyre any ill will — it's quite the opposite, actually — but Chatterjee's sitdown is a welcome chance to clear the air after months of exhausting mystery. The gathering starts at 11 a.m. at FERC.

**GET YOUR COMMENTS IN:** Comments are due today on EPA's proposed [Affordable Clean Energy rule](#), the final rule for the Clean Power Plan that would ease carbon regulations for coal-fired power plants and replace the standards pushed by the Obama administration.

## MAIL CALL

**DEMS RAC UP QUESTIONS:** Democratic Sens. [Jeff Merkley](#) and [Ron Wyden](#) want Interior to explain why there are so many vacancies in advisory groups that are meant to weigh community input on public land management issues. Oregon senators point to the Bureau of Land Management's Resource Advisory Councils, each a committee meant to advise BLM on public lands. Given the current vacancies, "the failure to reappoint volunteers and the public in management of the public lands," the senators write, they are "requesting information concerning the nomination and appointment process and the rationale for the failure to reappoint" members. Specifically, they want names and rationales on nominations approved at the BLM state director level but denied in Washington.

**ON ZINKE:** Three Senate Democrats sent a [letter](#) to Zinke on Tuesday concerning "unethical conduct" and "abuse of power" from the OIG. In the letter, Sens. [Richard Blumenthal](#), [Elizabeth Warren](#) and Wyden call on the secretary to

efforts to use the office of the Secretary of the Interior for personal gain and fully reimburse the public for resources."

**BILLS, BILLS, BILLS:** GOP Sen. Steve Daines sent a letter to Hill leadership calling for the passage of several Montana's priorities, including one that would permanently reauthorize and fully fund the Land and Water Conservation Fund, and one that would address the National Parks maintenance backlog.

## BEYOND THE BELTWAY

**LOOKING AHEAD:** The COP24 global climate summit in Katowice, Poland, in December is expected to be a success, the EU, Energy and Climate Action Commissioner Miguel Arias Cañete said Tuesday, POLITICO Europe's reports. "This will be a complicated COP, it will be difficult," the bloc's climate chief said at an informal event. "I am sure that the European Union will be united, active and leading."

The upcoming talks will allow global climate leaders to negotiate the rules to implement the Paris climate agreement. "The most important thing is that ... we agree [on] the rulebook," Arias Cañete said. "If we don't have a system to monitor progress, to review, to compare where are we globally, Paris won't be operational."

**STEYER SPARS WITH TRUMP:** Billionaire environmentalist Tom Steyer wants the president to "do you know what?" he said on Twitter, attacking rivals on Twitter. Steyer, who was a target of a suspicious package aimed at prominent Democrats, said that "of course" President Donald Trump's words have played a role in dampening civility in public discourse. Oprysko reports. "Listen, this is a president who has created an atmosphere of hate," he said on CNN on Tuesday. "He has continued to demonize people after these events, who has created an atmosphere of extreme lawlessness."

**FOR YOUR RADAR:** The New Orleans City Council will hold a special meeting today on two resolutions regarding the company Entergy and its alleged use of paid actors to support plans for a new power plant. Earlier this week, the city's Regulatory Office said it received an independent investigative report into the tactics used by Entergy during the period last spring on the New Orleans Power Station. The lengthy report concluded via documents, email and other means that actors were paid to support the power station and that payment to the so-called supporters "went through Entergy's vendors," and to those paid. It added Entergy "knew or should have known that such conduct could occur."

Entergy said it looked at the report and takes "exception to certain characterizations and omission of key facts," including specific evidence Entergy provided that confirms it did not pay, nor did it authorize any other persons or individuals to attend or speak at Council meetings. "Today's meeting will allow council members to hear from the city's investigators."

**PLEDGE CLASS:** Nine congressional candidates have signed a pledge from Alaska Wilderness Action to protect the Arctic National Wildlife Refuge and "oppose any effort to advance oil and gas leasing and drilling" in the state. The pledge was signed by Arizona's Ann Kirkpatrick, California's Mike Levin and Gil Cisneros, and Florida's Debbie Mucarsel-Powell.

Climate Solution Caucus' [Carlos Curbelo](#) and has released a recent [campaign ad](#) hitting Curbelo for voting drilling.

## REPORT ROUNDUP

**TAKE A GLANCE!** The American Petroleum Institute is out with a [new paper](#) today on cybersecurity in the oil and gas industry. The report — which was released in conjunction with the Oil and Natural Gas Subsector Coordinating Council — looks at resilience and preparedness in the industry against cyber threats, while acknowledging the present "enterprise risks" that can compromise the viability of a company. "Cyberattacks targeting U.S. energy are on the rise," the report says. "The number of reported incidents directed at critical infrastructure rose from 2015 to 2017, with a similar count (290) in 2016. Of the reported incidents, roughly 20 percent (59 reported incidents) were directed at critical infrastructure."

**Related:** Global Cyber Policy Watch looked at the resiliency of the national grid from cyberattacks in its [new report](#). It found, in part, that nuclear sites have fallen behind other energy providers in preparedness against a cyber attack.

## QUICK HITS

- "Rising U.S. crude output sparks race to build export terminals," [Reuters](#).
- "The unseen driver behind the migrant caravan: climate change," [The Guardian](#).
- "State parks lost out on \$1.2 million in uncollected entrance fees, audit finds," [The Nevada Independent](#).
- "Canadian solar farm to help light up Silicon Valley, Monterey," [Bloomberg](#).
- "U.S. on pace for record coal retirements in 2018, IEEFA finds," [Utility Dive](#).
- "Climate skeptics and bomb deniers find common ground," [E&E News](#).

## HAPPENING TODAY

9:30 a.m. — The National Academy of Sciences Board on Earth Sciences and Resources [meeting](#) on "Mining and the science that drives their interdependencies, feedbacks and tradeoffs," 500 Fifth Street NW.

Noon — 2018 NAESCO annual [conference and vendor showcase](#), Orlando, Fla.

Noon — The World Resources Institute [seminar](#) on "Transforming Energy Efficiency Markets in Developing Countries," Washington, D.C.

1:30 p.m. — E2 [webinar](#) on "Offshore Wind: The Economic Promise of an Emerging Industry."

2 p.m. — Sen. Ben Cardin (D-Md.) news conference on S. 3564 (115), the "Low-Income Water Customer Assistance Act of 2018," Baltimore.

3:30 p.m. — The United States Energy Association technology briefing on "What Does 'Resilience' of the Grid Mean for Us Today?" 1300 Pennsylvania Avenue NW.

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

## Message

**From:** Tom Hassenboehler [thass@ec-map.org]  
**Sent:** 7/16/2018 5:01:20 PM  
**To:** Fred Turatti (TMNA) [fred.turatti@toyota.com]; Jack Barrow [jack.barrow@btr.energy]; Brown, Maryam S [MSBrown@Sempra.com]; Hull, Allison E [AEHull@sempra.com]; Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]; Robert Friedman [rfriedman@vng.co]  
**CC:** Michael Catanzaro [catanzaro@cgc.com]; Sean McGinnis [Smcginnis@ec-map.org]; Christina Stanton [Cstanton@ec-map.org]; Dominguez, Alexander [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=5ced433b4ef54171864ed98a36cb7a5f-Dominguez,]  
**Subject:** EC-MAP Panel Confirmation and Update  
**Attachments:** EC-MAP Launch-Inaugural Panel Agenda July 23 2018.docx; EC-MAP Final Video.mp4

All: Thank you for agreeing to be part of our transportation panel for next Monday's EC-MAP Launch event. **We expect the panel to begin at 4:45 and conclude at around 5:20,** and to be preceded by Senator Gardner's comments and concluded with Chairman Walden at the reception. We look forward to your participation.

Please make sure we have you listed correctly on the attached agenda, as we will be releasing this to invited guests and posting on site later today or tomorrow am.

As described to each of you before, the panel is meant to be a high-level introductory discussion of the challenges and opportunities that digitalization issues present to the transportation system, with a particular emphasis on existing legislative regulatory barriers and ways to use digital technologies to better connect with consumer preferences, from an infrastructure and fuels perspective, to enabling new vehicle technologies and services. Below are samples of high level questions that may be poised to the group as a whole that are grounded in the white paper, but If you have any particular question you would like us to focus on for you, or one you would rather us steer clear of, please let us know.

- How can fleets be leveraged to pilot emerging technologies? What policy mechanisms would help successful fleet demonstrations scale to other markets?
- How can your business models be better enabled by tracking consumer demand with digital technologies?
- Is CAFÉ relevant for driving efficiency, value, and choice to consumers? Is there a better approach that would sidestep tensions between the Federal government and states, companies and consumers?
- Should the RFS be allowed to expire? Are there market mechanisms (enabled by blockchain and other digital technologies) that could better enable clean, domestically produced fuels with the attributes consumers demand?
- How can policymakers increase access to transparent, verifiable data streams and empower consumers to drive markets for new vehicle and fueling choices and mobility services?
- What policies can incentivize the necessary investment (including by individuals and small communities) in physical and digital infrastructure?

Also for more background, attaching an introductory video that will be part of the website when launched, as FYI.

Thanks!





## Join us for EC-MAP's Official Launch and Inaugural Panel

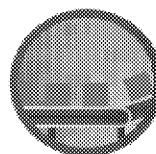
July 23, 2018

4:00pm to 5:30pm | Reception Follows

1001 Pennsylvania Ave. NW Washington, D.C. 20004

The Energy Consumer Market Alignment Project (EC-MAP) is a Washington, D.C. based non-profit seeking to align public policy with the digital energy future. EC-MAP envisions an energy future where digital technologies drive greater transparency, fair competition, and consumer choice—and where policy enables innovation instead of creating market barriers. Operating in collaboration with the **Keystone Policy Center**, EC-MAP advances a dialogue around the role of government in this new era of energy digitalization in the transportation, power, and industrial/commodities sectors.

AGENDA	
Registration	3:45–4:00pm
<b>Welcoming Remarks and Introduction to EC-MAP's Mission and Vision:</b> <i>Tom Hassenboehler</i> , Executive Director, EC-MAP  <i>Christine Scanlan</i> , President and CEO, Keystone Policy Center  <b>Digitalization and Energy: A (Very) Brief Primer</b> <i>Ben Tejblum</i> , K&L Gates, Blockchain Energizer	4:00–4:30pm
<b>Keynote Remarks:</b> <i>Senator Cory Gardner</i> (R-CO), Chairman, Energy Subcommittee, Senate Energy & Natural Resource Committee, to be introduced by <i>Jim Connaughton</i> , CEO Nautilus Data Technologies	4:30–4:45pm
<b>Inaugural Panel: Aligning Public Policy with the Digital Energy Future - Transportation</b> <ul style="list-style-type: none"> <li>- <i>Michael Catanzaro</i> (Moderator), Chair of Policy Advisor Board, EC-MAP</li> <li>- <i>Mandy Gunasekara</i>, Principal Deputy Assistant Administrator, Office of Air and Radiation, U.S. EPA</li> <li>- <i>Emily Shults</i>, VP of Energy Supply, San Diego Gas &amp; Electric, Sempra Energy</li> <li>- <i>Fred Turatti</i>, General Manager, Environmental Regulation, Toyota Motor North America</li> <li>- <i>Robert Friedman</i>, Chief Operating Officer, VNG.co</li> <li>- <i>Jack Barrow</i>, Co-founder, BTR Energy</li> </ul>	4:45–5:30pm
Closing Remarks & Reception with Invited Guests	5:30–7:00pm



## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 1/9/2019 10:52:56 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by the American Petroleum Institute: The dark money group behind Scott Pruitt — Another day, another shutdown update — Oil lobby concerned over trade tensions

[View online version](#)

# MORNINGENERGY

01/09/2019 05:50 AM EDT

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

*With help from Anthony Adragna and Annie Snider*

## QUICK FIX

— **Former EPA chief Scott Pruitt got support for his confirmation** from a dark money group to the tune of nearly a half-million dollars, documents obtained by POLITICO show.

— **The partial shutdown remains in effect**, but the president is planning a blitz of meetings today on and off the Hill to state his case. That comes one day before House Democrats will vote on their funding bill that would reopen EPA and Interior.

— **U.S. trade tensions with China threatened companies'** access to the energy market at a crucial time, warned American Petroleum Institute chief Mike Sommers during the group's annual priorities address.

**IT'S WEDNESDAY!** I'm your host, Kelsey Tamborrino. RBJ Strategies' Stephen Brown knew former President Richard Nixon was the first sitting president to attend a regular season NFL

game: Dallas Cowboys vs. Washington Redskins. Today's question: How many congressional districts have sent two House speakers to Congress? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com). Follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

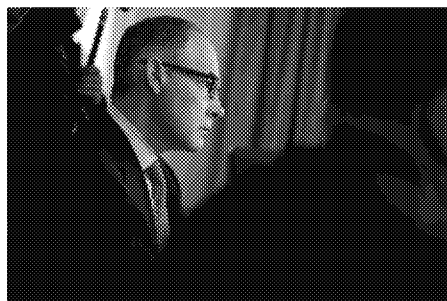
**\*\* A message from the American Petroleum Institute:** Welcome to America's Generation Energy, led by the women and men of the natural gas and oil industry, who are meeting unprecedented consumer demand for affordable and reliable energy while reducing the U.S. carbon footprint to its lowest level in a generation. See how we're doing it and join us at [PowerPastImpossible.org/SOAE](http://PowerPastImpossible.org/SOAE). \*\*

## DRIVING THE DAY

**THE DARK MONEY GROUP BEHIND SCOTT PRUITT:** A dark-money group supporting the confirmation of scandal-plagued former EPA administrator Scott Pruitt raised nearly a half-million dollars from at least one oil company and other donors who did not have to identify themselves, documents obtained by POLITICO showed.

**Protecting America Now incorporated in Delaware** the day after President Donald Trump tapped Pruitt for EPA, Pro's Alex Guillén reports this morning. But the nonprofit is only now revealing basic information about itself, and critics say the group's focus on lobbying for Pruitt — after raising money from companies he would regulate — illustrates the problems with a lack of disclosure required by such organizations, known as 501(c)(4) groups after the relevant section of the tax code.

**"It raises a question of,** is this nonprofit a shell that's using tax-exempt status as a shield for donors to engage in political spending?" said Robert Maguire, research director for the watchdog group Citizens for Responsibility and Ethics in Washington.



Former EPA Administrator Scott Pruitt listens as President Donald Trump speaks during a Cabinet meeting at the White House, Thursday, June 21, 2018, in Washington. (AP Photo/Evan Vucci)

**The largest single contribution to Protecting America Now** came via Pioneer Natural Resources, a Texas-based oil and gas company, which voluntarily disclosed that it

contributed \$100,000. But the group's remaining donors remain secret — its [2017 tax return](#) shows it raised \$459,500 for its mission to help Pruitt get confirmed but provides little detail on its spending.

**A few weeks after he was confirmed**, Pruitt halted work on a methane rule that Pioneer had identified as a threat to its business, although it's unclear whether the company's support influenced that decision.

**Read [the full story](#).**

**RELATED:** Trump is reportedly close to formally nominating acting EPA chief Andrew Wheeler as permanent administrator, Bloomberg [reports](#), citing a person familiar with the planned announcement.

## SHUTDOWN DOWNLOAD

**READING THE SHUTDOWN SIGNALS:** After Trump's [late-night address](#) on border wall funding, the president today [will hold](#) a series of meetings to try to build support for his position.

**The president [will huddle](#) with Senate Republicans** for lunch at the Capitol before a separate meeting with the top congressional leaders of both parties later this afternoon at the White House.

**Later this week:** The House will take up appropriations bills on Thursday that would include reopening both the Interior Department and EPA, Pro's Ryan McCrimmon [reports](#).

**Half a payday:** EPA workers furloughed by the government shutdown [will receive](#) half their normal paycheck on Friday, reflecting the extra week the agency remained open in December, Wheeler said in a staff [memo](#).

**Meanwhile, the White House's Office of Information and Regulatory Affairs [said](#)** this week it is still "conducting review of regulatory actions that are deemed excepted activity" during the shutdown.

**Catch up:** [GOP in the dark as Trump weighs emergency declaration](#) | [How the shutdown is growing even worse](#) | [Vulnerable GOP senators feel the heat of protracted shutdown](#) | [Dems consider blocking Senate legislative agenda amid shutdown](#)

## ON THE HILL

**NOT YET:** Senate Energy Chairman [Lisa Murkowski](#) told reporters Monday she's "working on" securing floor time for a broad public lands package that includes a permanent reauthorization of the Land and Water Conservation Fund. "I'd like to be able to get to it as soon as possible," she said. "That was the agreement that we made before we broke."

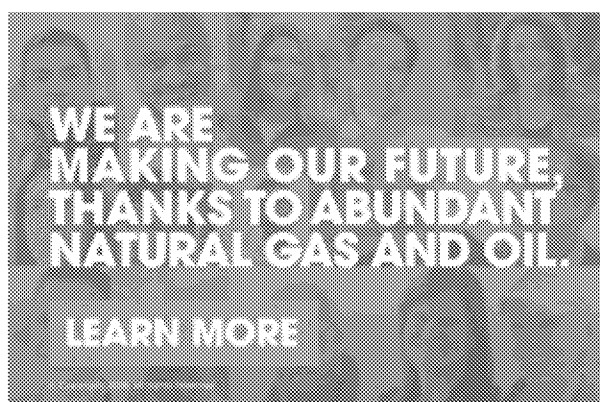
**A regular reminder** that House Natural Resources Chairman [Raúl Grijalva](#) indicated he'd seek changes to the package expected to be considered by the Senate.

**CONCESSIONS STAND:** Sen. [Tom Carper](#) told reporters Tuesday he will seek policy concessions from Wheeler once he is formally tapped to run EPA permanently, [Alex reports](#).

**Several lower-level EPA nominees cleared** the Senate in the final days of the previous Congress after EPA agreed to concessions on several key pesticide and chemical issues. "I think there's a good chance we'll pursue a course not dissimilar to that," Carper said.

**PALLONE QUESTIONS FOSSIL FUEL BAN:** House Energy and Commerce Chairman [Frank Pallone](#) on Tuesday pushed back against progressives' calls to reject contributions from fossil-fuel companies in an interview with WNYC, [Pro's Anthony Adragna reports](#).

**"Ultimately you have to finance your campaign,** and if you start saying that just because you're on a committee, that nobody associated with any of the issues that the committee faces can contribute, I just think that's the wrong way to go and too limiting," he said.



**POWERPASTIMPOSSIBLE.ORG**  
~ AMERICAN PETROLEUM INSTITUTE ~



**McNAMEE LAYS OUT RECUSAL DETAILS:** FERC Commissioner Bernard McNamee supplied Senate Democrats with documents that suggest he won't recuse himself from the commission's grid resilience docket unless it "closely resemble[s]" Rick Perry's proposal to

save struggling coal and nuclear power plants — which McNamee helped roll out, Utility Dive reports via the letter to Democrats.

**The letter includes correspondence** between McNamee and FERC associate general counsel Charles Beamon, in which Beamon makes a distinction between FERC's rejection of the Notice of Proposed Rulemaking and FERC's resilience docket, which Beamon said does not require McNamee's recusal, but instead requires "continued oversight."

## TRADE CORNER

**OIL LOBBY CONCERNED OVER CHINA TENSIONS:** API's Sommers warned that trade tensions with China threatened companies' access to the energy market when rising U.S. oil and gas output was expanding U.S. influence, Pro's Ben Lefebvre reports.

**Sommers said robust U.S. energy production** has put the country "in a position of strength." But he added, "China's retaliatory tariffs carry the risk of losing a vital energy market, which can mean losing American influence where we need it."

**API has been in direct contact** with U.S. Trade Representative Robert Lighthizer to push the administration to reconcile with China after the two countries slapped tariffs on each other, Sommers said.

## STATE NEWS

**CALIF FIRES WARNING SHOT ON COLORADO RIVER:** Southern California's largest urban water provider has begun removing water it's storing in Lake Mead — a move that could prompt a major drop in reservoir levels and a first-ever shortage declaration for Arizona and Nevada, Pro California's Debra Kahn reports.

**Officials at the Metropolitan Water District of Southern California say** they are "optimistic" that Western states will reach a water sharing deal for the Colorado River, and will return the water if the deal is done, but said they had to take the preemptive move to avoid having their water stranded in Lake Mead.

**As Pro's Annie Snider reported in December**, fights within Arizona over how to share the cuts are holding up the multi-state deal.

**THE OFFSHORE OPPOSITION:** One year since the Trump administration's initial release of its offshore drilling plan, lawmakers on both the federal and state level have coalesced around plans to ban or block the practice.

**As Anthony reported Tuesday**, seven House Democrats unveiled a broad slate of bills that would restrict offshore drilling along the country's coastline, in anticipation of the administration's delayed drilling plan.

**On the state level:** State lawmakers from Connecticut, Georgia, Hawaii, Maine, Massachusetts, New Hampshire, New York, Oregon and Rhode Island announced Tuesday they would introduce legislation that would either limit or ban the practice in state waters.

**While offshore drilling often occurs in federal waters**, the state bills could make it more difficult for drillers.

**More to come:** South Carolina's newest Democratic congressman, Joe Cunningham, said Tuesday he plans to introduce a proposed 10-year moratorium on offshore oil and gas drilling, the Associated Press reports.

## THE GRID

- "BP unlocks a billion oil barrels in Gulf of Mexico with new technology," Reuters.
- "As U.S. carbon emissions spike, Pennsylvania's Gov. Wolf announces first statewide reduction plan," Philly.com.
- "'Enough trash to build a wall': Shutdown protest delivers California waste to Trump." McClatchy.
- "3 PG&E electric executives departing amid ongoing wildfire scrutiny," San Francisco Chronicle.
- "Trump administration works overtime to make sure shutdown doesn't stop oil drilling," Bloomberg.

## HAPPENING TODAY

- 8:30 a.m. — The Center for Strategic and International Studies discussion on "The Launch of the Stephenson Ocean Security Project," 1616 Rhodes Island Ave. NW.
- 9 a.m. — World Resources Institute's Stories to Watch 2019, 10 G St. NE.
- Noon — House meets to complete consideration of H. Res. 6 (116).

Noon — The Environmental Law Institute discussion on "Environmental Justice — the Pursuit of Energy Dominance and a Resilient Appalachia," 1730 M St. NW.

1 p.m. — The Nuclear Regulatory Commission conference with representatives of Holtec International on "apparent NRC regulation violations stemming from changes Holtec made to one of its spent nuclear fuel storage canister designs," Rockville, Md.

3 p.m. — Michigan State University webinar on "Forest Carbon Offsets: A Viable Opportunity for U.S. Landowners?"

## THAT'S ALL FOR ME!

**\*\* A message from the American Petroleum Institute:** Welcome to America's Generation Energy, led by the women and men of the natural gas and oil industry. Together we power modern life by delivering the fuel, power, products and innovation that are connecting us and making lives safer, healthier and more affordable. America's abundant natural gas and oil are creating jobs, supporting communities and the economy, strengthening U.S. security and developing the technologies of the future. Generation Energy is solving complex problems, meeting unprecedented consumer demand for affordable and reliable energy while reducing the U.S. carbon footprint to its lowest level in a generation. With smart trade, infrastructure and regulatory policies, Generation Energy is poised to accelerate U.S. energy leadership and build on the environmental progress we've achieved. See how we're doing it and join us at [PowerPastImpossible.org/SOAE](https://PowerPastImpossible.org/SOAE). \*\*

[View online](#)

You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>

---

**POLITICOPRO**

---

This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---



## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 12/17/2018 10:46:02 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: Guessing game begins for Zinke replacement — Greens face labor concerns on 'Green New Deal' — Paris rulebook written

[View online version](#)

# MORNINGENERGY

12/17/2018 05:45 AM EDT

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](https://twitter.com/kelseytam))

*With help from Zack Colman, Ben Lefebvre and Daniel Lippman*

**ZINKE HEADS TOWARD THE EXIT:** The long-expected announcement that Secretary Ryan Zinke will depart from the Interior Department at the end of the year now kicks off the guessing game about who will replace the former Montana congressman atop the agency. President Donald Trump announced Zinke's exit in a tweet, of course, and said he'd reveal a replacement this week.

Already Rep. Cathy McMorris Rodgers (R-Wash.), outgoing Rep. Raúl Labrador (R-Idaho), outgoing Sen. Dean Heller (R-Nev.) and outgoing Republican Nevada Gov. Brian Sandoval have been named as potential picks. But people inside and outside the industry said Trump might easily give the job to Deputy Secretary David Bernhardt, Pro's Ben Lefebvre reports.

**Keep in mind:** Bernhardt, who is a former lobbyist with years of Beltway experience, has already faced a Senate confirmation fight. Any Zinke replacement will face a new Senate

Energy Committee, where Sen. Joe Manchin — who previously supported Bernhardt — will lead as ranking Democrat.

**A change in Heller?** Heller has been in talks with the White House to take over as Interior secretary since losing his reelection bid last month, according to a source close to Heller's office, who adds that Heller thinks the job is his to lose. As with anything in Trump world, getting support from the president's family is key for any Cabinet post. That might bode well for Heller, given Ivanka Trump and Donald Trump Jr. both stumped for him in the final week of the midterm campaign. Neither the White House nor Heller's office responded to requests for comment.

**Also up in the air:** Just how aggressively Democrats — like incoming House Natural Resources Chairman Raúl Grijalva, who Zinke recently called a drunk — will probe Zinke after he's gone. Grijalva said in a statement he was "hopeful" Zinke's exit would be a "a genuine turning of the page," but spokesman Adam Sarvana told ME to expect "oversight of the consequences of many of Secretary Zinke's policy decisions, including the destruction of Utah's national monuments and the many giveaways the Interior Department granted to fossil fuel companies on his watch." The committee still plans to request testimony and go from there, Sarvana said, adding "it's safe to say that our oversight of his legacy hasn't even started yet."

Other critics, like Sen. Richard Blumenthal, say Zinke shouldn't get to skip out on facing legal reviews of some of his actions. "Investigation must continue of Zinke's illicit effort to sabotage CT tribal casino project," the Connecticut Democrat tweeted on Sunday, referring to an issue POLITICO first reported in February that has kept the proposed casino project on ice. "Possible criminal culpability must be pursued even after he leaves office."



Interior Secretary Ryan Zinke attends the Congressional Ball in the Grand Foyer of the White House in Washington, Saturday, Dec. 15, 2018. (AP Photo/Carolyn Kaster)

**Like former EPA Administrator Scott Pruitt before him**, Zinke in his own statement Saturday maintained that the attacks against him were false, Ben reports. "[A]fter 30 years of public service, I cannot justify spending thousands of dollars defending myself and my family

against false allegations," he said. Zinke's resignation letter, obtained by the Associated Press, similarly cites that "to some, truth no longer matters," and lists his official last day as Jan. 2.

**WHAT'S NEXT FOR ZINKE?** Zinke's next step might be the private sector, Ben reports, though he still has an eye on a eventual run for the White House, sources familiar with his thinking said. And adding fuel to the fire, The Washington Post reports Zinke told White House staffers he wanted to have his final public appearance at his office Christmas party Thursday night, where he invited lobbyists and conservative activists.

**TODAY:** Zinke will meet with the president in the Oval Office at 1:45 p.m.

**GOOD MONDAY MORNING!** I'm your host, Kelsey Tamborrino. Duke Energy's Vicky Sullivan is Friday's trivia winner for correctly naming New York's Theodore Pomeroy as holding the record for serving the shortest term as speaker of the House: One day. For today: The first secretary general of the United Nations was from what country? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

## ON THE HILL

**LABOR PAINS:** Democrats' quick embrace of Rep.-elect Alexandria Ocasio-Cortez's Select Committee for a Green New Deal has left some in the party worried about reopening old wounds between environmental groups and labor unions, Pro's Zack Colman reports this morning. "It is incumbent on some of us to provide that bridge ... and it's also to the advocates at both ends to realize that their individual agendas are not going to be accomplished without each other," Grijalva said.

**Ocasio-Cortez or her allies have reached out** to unions including the AFL-CIO, International Brotherhood of Electrical Workers and United Steelworkers, an activist familiar with the effort told Zack. And various factions have also convened meetings with groups like the Center for American Progress and the Blue Green Alliance. But major unions are taking a wait-and-see approach until more details are filled in of what exactly a Green New Deal would entail. In the past, tension between environmental activists and union members have disrupted Democratic action over issues like the Dakota Access Pipeline, or a ban on fossil fuel contributions to the DNC.

**While some unions have backed the Green New Deal**, others remain unconvinced that environmentalists understand the reality that union members who work in energy intensive industries face. Case in point: On Tuesday, Laborers International President Terry O'Sullivan

is scheduled to join the Chamber of Commerce's Karen Harbert to promote a report warning against "the anti-energy 'Keep It In the Ground' movement."

**PARTIAL SHUTDOWN NEARS:** Close to a quarter of the federal government will shut down Friday if lawmakers can't figure out a bipartisan deal, which would include funding for Interior and EPA. The prospects of a potential shutdown land squarely on Trump's shoulders, POLITICO's Eliana Johnson, Burgess Everett and Rachael Bade report, and sources say Trump is still mulling whether to make a counter-offer to Democratic leaders that would prevent the funding lapse and kick the fight over his proposed border wall to next year.

**While the specifics of that offer are unclear**, Republicans on Capitol Hill are increasingly considering a two-week stop-gap that would fund the government into January, the trio writes. Complicating matters further, lawmakers made clear last week that without a funding deal, there'd be no legislative vehicle for reauthorization of the Land and Water Conservation Fund.

## BEYOND THE BELTWAY

**PARIS, IN THE BALANCE:** After two weeks of tense negotiations during the COP24 summit in coal-reliant Poland, nearly 200 governments agreed late Saturday on a rulebook to implement the 2015 Paris climate agreement. The final deal represents a balancing act between rich nations, emerging countries and poor and vulnerable nations, POLITICO Europe's Kalina Oroschakoff and Paola Tamma report. But it also falls short of the the action that many climate scientists say is required to stave off the worst effects of global warming. "The end result is underwhelming, signaling that not even the last IPCC report on 1.5°C was enough of a wake up call for some of the biggest polluters on the planet," said May Boeve, executive director of 350.org.



Heads of the delegations react at the end of the final session of the COP24 summit on climate change in Katowice, Poland, Saturday, Dec. 15, 2018. (AP Photo/Czarek Sokolowski)

**What they agreed on:** "Rich nations agreed to put more money on the table to help poorer countries deal with the impact of global warming, and to give developing countries some leeway in meeting the rules on cutting their emissions. In return, developing nations agreed on common reporting requirements to track countries' emissions reduction efforts — something that will apply to all countries," Kalina and Paola report.

**CALIFORNIA CRUISES TO CARBON-FREE BUSES:** California became the first state Friday to commit to an all-electric bus fleet, requiring new buses be carbon-free by 2029. The California Air Resources Board voted unanimously in support of the measure, which environmental advocates predict will lead to 100 percent zero-emission buses by 2040 statewide, the Associated Press reports.

**COMMENTS DUE:** Today's the last day to submit comments on EPA's recent proposal easing requirements for new oil and gas wells to inspect for and fix methane leaks.

## MAIL CALL

**Study up:** A group of 23 bipartisan senators called on the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry in a letter last week to take the necessary steps to adequately study occupational exposure to per- and polyfluoralkyl substances, particularly to firefighters.

**With the wind:** After Interior's offshore wind lease sale shattered records Friday, some New England Democrats urged the Bureau of Ocean Energy Management to press ahead with offshore wind policies that include fishermen and other workers in order to minimize spatial conflicts and reduce economic harm to the fishing industry.

**This land is our land:** A host of environmental groups voiced their opposition to the inclusion of S. 785 (115), the Alaska Native Veterans Land Allotment Equity Act, in any public lands package that moves ahead on the Hill. They argue the bill could privatize public lands within national wildlife refuges and designated wilderness areas.

**WEEKEND WEDDING:** Brooke Sammon, SVP at Firehouse Strategies and an American Petroleum Institute, Marco Rubio and Mitt Romney alum, married David Sours, chief of staff for Rep. Jody Hice (R-Ga.). Pic.

## QUICK HITS

- "Experts predict legal trouble for Scalia-inspired rule," [E&E News](#).
- "Alaska groups sue EPA to enforce clean air laws in Fairbanks," [Associated Press](#).
- "Top lawyer at Interior once said women shouldn't be NFL referees because they PMS," [The Hill](#).
- "A larger issue looms over short-term Colorado River plan: climate change," [Arizona Republic](#).
- "GE powered the American century — then it burned out," [The Wall Street Journal](#).
- "Mexico targets 50 percent jump in oil output under 'Pemex rescue,'" [Reuters](#).

## HAPPENING TODAY

\*crickets\*

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

# POLITICOPRO

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 1/7/2019 10:47:07 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by the American Petroleum Institute: Shutdown continues to take its toll — Democrats unleash individual funding bills — NPS plans to tap into entrance fees

[View online version](#)

# MORNINGENERGY

01/07/2019 05:45 AM EDT

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

*With help from Daniel Lippman*

## QUICK FIX

— **The partial government shutdown affecting both EPA and Interior workers** has now entered its third week, with no deal in sight.

— **House Speaker Nancy Pelosi laid out Democrats' latest plan to reopen the government**, calling for putting individual agency funding bills on the floor, beginning with the the Treasury Department and IRS, in an attempt to garner Republican support. The EPA-Interior bill would hit the floor later this week.

— **In order to pay for operations during the shutdown**, the National Park Service said it would tap into entrance fees — an unusual move that has Democrats questioning its legality.

**WELCOME TO MONDAY!** I'm your host, Kelsey Tamborrino. Bracewell's Frank Maisano correctly identified former House Speaker Frederick Muhlenberg as the first to reclaim the

gavel, which he took from Jonathan Trumbull during the 3rd Congress. For today: Who was the last House leader to go on to become president? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com). Follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

## DRIVING THE DAY

**SHUTDOWN ENTERS THIRD WEEK:** Shutdown negotiations continued this weekend with no discernible progress, and a White House official signaled that if nothing gets solved by mid-week, the shutdown could last until the end of January. The first payday for federal employees affected by the partial shutdown and covering the shutdown period is scheduled for Friday.

**House Democrats on Sunday released the text** of four individual spending bills that they plan to take up this week, in an attempt to press the Senate to reopen parts of the government, Pro's Caitlin Emma reports.

**Each bill would appropriate funds through the end of the fiscal year** and are are nearly identical to the ones passed by the Senate in August except for technical changes, Appropriations Chairwoman Nita Lowey said.

**Doc of the day:** Read the Interior-EPA funding bill here.

**Opening up the Cabinet:** Acting White House chief of staff Mick Mulvaney said President Donald Trump has directed "every single Cabinet secretary" to find government funding that could be redirected toward building a border wall.

## THE SHUTDOWN LOWDOWN

**NPS TAPS PARK FEES FOR FUNDING:** The National Park Service signaled this weekend it would take the unusual step to use park entrance fees to pay for expanded operations during the partial shutdown, which affects Interior agencies.

**"The NPS currently has funds derived from** entrance, camping, parking and other fees collected from park visitors that would typically be used for future projects at parks," said NPS Deputy Director P. Daniel Smith in a statement. After consultation with the Office of the Solicitor at Interior, Smith said, "it has been determined that these funds can and should be used to provide immediate assistance and services to highly visited parks during the lapse in appropriations."



**The funds will be used for trash clean-ups**, to clean and maintain restrooms, and bring in additional law enforcement rangers to address growing problems at parks across the country during the lapse in funding.

**The move is sure to draw fire** from Democrats and park advocates, who are questioning whether the move is legal, as The Washington Post reports. Park fees collected under the Federal Lands Recreation Enhancement Act are meant to benefit visitors through facilities and services.

**House Natural Resources Chairman Raúl Grijalva called out the president** in a statement to ME. Trump, he said, expects the American people "to either pay more to keep the toilets clean out of their own pockets or pay millions of dollars for his ridiculous wall."

**"This is not how a rational president behaves**, and the Natural Resources Committee will demand answers about whether these moves are legally justified," Grijalva added.

**Related:** Three Utah Republicans, led by Natural Resources ranking member Rob Bishop, sent a letter to acting Interior Secretary David Bernhardt, calling on Interior to take emergency measures to resume operations at the state's national parks.

## ALSO ON THE HILL

**DEMS PREPARE TRUMP ADMIN INVESTIGATIONS:** House Democrats have touted oversight since grabbing the majority in November, threatening to issue subpoenas, conduct investigations and hold hearings that focus on the Trump administration's controversial policies and personnel.

**But with control in their hands for the first time in nearly a decade**, it's also a role full of pitfalls, Pro's Adam Cancryn reports. "Trump has already tried to brand the prospect of congressional oversight as nothing more than 'harassment,' and Democrats will also have to show they can legislate, govern and investigate all at the same time in the House," he writes.

**The top targets for Democrats** include former Interior Department head Ryan Zinke and former EPA Administrator Scott Pruitt. But House Oversight Chairman Elijah Cummings said the first Cabinet official he wants to talk to is Commerce Secretary Wilbur Ross.

**What else?** Adam reports that Democrats plan to look at the administration's controversial regulatory overhauls and agency conduct. Among the issues: Homeland Security Committee Chairman Bennie Thompson told POLITICO he's identified staffing issues at FEMA, which is under scrutiny over its response to Hurricane Maria in Puerto Rico.

**\*\* A message from the American Petroleum Institute:** Welcome to America's Generation Energy, led by the women and men of the natural gas and oil industry, who are meeting unprecedented consumer demand for affordable and reliable energy while reducing the U.S. carbon footprint to its lowest level in a generation. See how we're doing it and join us at [PowerPastImpossible.org](http://PowerPastImpossible.org). \*\*

**DISASTER AID ON TAP:** House Democrats plan to vote this week on a \$12.1 billion aid package for states devastated by storms and wildfires, Pro's Sarah Ferris [reports](#).

**It's unlikely the bill** will see the light of day in the Senate, where Republican lawmakers want disaster money included in a broader spending bill.

**But House Democrats plan to provide money** for California, which suffered its deadliest wildfire season ever, as well as states like Florida, Georgia and Alabama, according to a Democratic House aide. Democrats would also address a funding cliff in Puerto Rico.

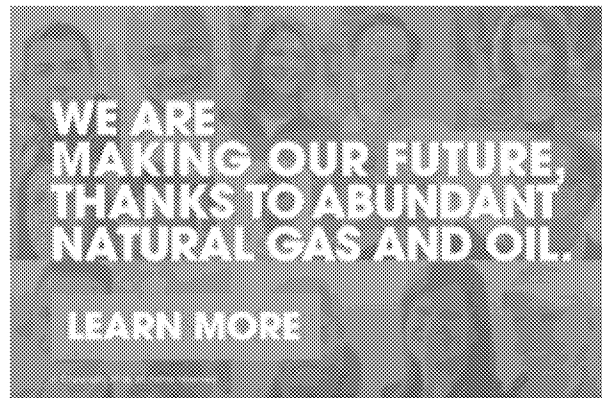
**MAIL CALL!** Democratic Massachusetts Sens. [Ed Markey](#) and [Elizabeth Warren](#) sent [a letter](#) to Columbia Gas of Massachusetts and its parent company NiSource, reminding them to repair the miles of damaged roads left in the aftermath of the deadly Sept. 13 natural gas explosion and fires.

## WORD FROM THE AGENCIES

**TRUMP IN 'NO HURRY' TO REPLACE FORMER OFFICIALS:** The president said this weekend he's in no rush to choose permanent replacements for officials who've left his Cabinet. "I'm in no hurry. I have acting [officials]," he said, according to a pool report. "And my actings are doing really great." Trump specifically praised acting Secretary David Bernhardt for "doing great at Interior," and said acting officials give him "more flexibility."

**NOAA PICK RESIGNS FROM COMPANY:** Barry Myers, Trump's pick to lead the National Oceanic and Atmospheric Administration, [resigned](#) and sold all of his interest in weather forecaster AccuWeather, the company [said](#) Friday. Myers is among the nominees who must be renominated this Congress, since the Senate did not act on his selection last session.

**Myers [faced objections](#) from critics and some Democrats** over whether he would limit the kinds of products that the National Weather Service offers publicly to reduce competition for AccuWeather.



**POWERPASTIMPOSSIBLE.ORG**  
- AMERICAN PETROLEUM INSTITUTE -



**U.S. HEADS TO CHINA FOR TRADE TALKS:** Assistant Energy Secretary for Fossil Energy Steven Winberg joins a U.S. team led by Deputy Trade Representative Jeffrey Gerrish in Beijing this week for discussions with Chinese officials on the issues that prompted Trump to place duties on \$250 billion worth of Chinese goods, Pro Trade's Doug Palmer reports.

**No agreement is expected this week**, but the meeting likely will set the stage for higher level talks next week between delegations led by U.S. Trade Representative Robert Lighthizer and Chinese Vice Premier Liu He.

**Winberg's inclusion in the U.S. delegation** may indicate that the Trump administration is seeking to push back against Chinese tariffs of 10 percent on U.S. liquefied natural gas, the South China Morning Post's Owen Churchill reports.

## MOVERS AND SHAKERS

**Citizens for Responsible Energy Solutions** will announce today Managing Director **Heather Reams** will become executive director. **Brandon Audap**, director of federal affairs at the Solar Energy Industry Association, will become vice president of government relations and the U.S. Chamber of Commerce Global Energy Institute's **Colin Finnegan** will become coalitions manager.

— **Marneé Banks**, previously communications director for Sen. Jon Tester, and **Madeleine West**, assistant director for parks, wildlife, and lands at the Colorado Department of Natural Resources, joined the Theodore Roosevelt Conservation Partnership as chief communications officer and deputy director of Western lands, respectively.

**ENGAGED: Jennifer Pett**, manager of public affairs and comms for the Independent Petroleum Association of America and a Lamar Smith alum, got engaged to **Jackson Marsteller**, senior financial analyst for Stanley Martin Homes. [Pic](#)

## THE GRID

- "Appeals filed in lawsuits targeting Alaska oil lease sales," [Associated Press](#).
- "As climate change rises to top of Democratic agenda, New Jersey's [Frank Pallone](#) gains a front-row seat," [Philadelphia Inquirer](#).
- "Three dead in national park system accidents as shutdown wears on," [The Washington Post](#).
- "As fires ravaged California, utilities lobbied lawmakers for protection," [The New York Times](#).
- "Trump administration presses ahead with Alaskan drilling plan despite shutdown," [The Hill](#).

## HAPPENING THIS WEEK

### MONDAY

6 p.m. — The Institute for Policy Studies [discussion](#) on "The Runaway Train of Deregulation in the U.S. and Canada," focusing on the safety of trains carrying crude oil, 1301 Connecticut Ave. NW.

### TUESDAY

10 a.m. — American Petroleum Institute conference call briefing to preview the "State of American Energy 2019" report.

12:25 p.m. — API President and CEO Mike Sommers keynote remarks on the "State of American Energy 2019" report, 1300 Pennsylvania Ave. NW.

2 p.m. — Nuclear Regulatory Commission [webinar](#) on "the decommissioning of the Pilgrim nuclear power plant in Plymouth, Mass. and a related Post-Shutdown Decommissioning Activities Report."

### WEDNESDAY

8:30 a.m. — U.S. Agency for International Development's Emerging Markets for U.S. Smart Grid Suppliers and Investors Forum, 555 12th St.

8:30 a.m. — Center for Strategic and International Studies discussion on "The Launch of the Stephenson Ocean Security Project," 1616 Rhodes Island Ave. NW.

9 a.m. — World Resources Institute's Stories to Watch 2019, 10 G St. NE.

Noon — Environmental Law Institute discussion on "Environmental Justice: The Pursuit of Energy Dominance and a Resilient Appalachia," 1730 M St. NW.

1 p.m. — Nuclear Regulatory Commission conference with representatives of Holtec International on "apparent NRC regulation violations stemming from changes Holtec made to one of its spent nuclear fuel storage canister designs," Rockville, Md.

## THURSDAY

9:30 a.m. — U.S. Chamber of Commerce President and CEO Thomas J. Donohue delivers his annual "State of American Business" address, 1615 H St. NW.

Noon — The Center for Global Development discussion on "More Crop for Every Drop: Climate Change and Indian Agriculture," 2055 L St. NW.

## FRIDAY

3 p.m. — Environmental and Energy Study Institute briefing on "Reframing Energy for the 21st Century: Greater Energy Productivity Is an Economic Imperative," 1020 19th St. NW.

## THAT'S ALL FOR ME!

**\*\* A message from the American Petroleum Institute:** Welcome to America's Generation Energy, led by the women and men of the natural gas and oil industry. Together we power modern life by delivering the fuel, power, products and innovation that are connecting us and making lives safer, healthier and more affordable. America's abundant natural gas and oil are creating jobs, supporting communities and the economy, strengthening U.S. security and developing the technologies of the future. Generation Energy is solving complex problems, meeting unprecedented consumer demand for affordable and reliable energy while reducing the U.S. carbon footprint to its lowest level in a generation. With smart trade, infrastructure and regulatory policies, Generation Energy is poised to accelerate U.S. energy

leadership and build on the environmental progress we've achieved. See how we're doing it and join us at [PowerPastImpossible.org](https://PowerPastImpossible.org). \*\*

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 11/21/2018 10:47:58 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: Oil, gas companies wary of NAFTA replacement — Climate activists demand action — Zinke doubles down on 'radical' greens

[View online version](#)

# MORNINGENERGY

11/21/2018 05:45 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com), [@kelseytam](#))

---

**PROGRAMMING NOTE:** Morning Energy will not publish on Thursday, Nov. 22, and Friday, Nov. 23. Our newsletter will return on Monday, Nov. 26. Please continue to follow Pro Energy issues [here](#).

*With help from Carla Marinucci, Anthony Adragna and Eric Wolff*

**THE ID OF ISDS:** The Trump administration's U.S.-Mexico-Canada Agreement on trade is making oil and gas industry groups nervous. At issue is how the pact handles the investor-state dispute settlement mechanism — and whether many companies will see any legal disputes handled in Mexican courts. The USMCA would eliminate ISDS entirely for companies working in Canada, and it would limit them in Mexico to only the companies doing business with the Mexican government, Pro's Eric Wolff reports this morning.

That means companies that do not work directly with the government — which could include gas pipeline operators, refiners and fuel marketers — would be subject to the Mexican legal system. "Without access to ISDS, investments are subject to a host of local actions, your underlying investments have some jeopardy attached to them. It would put an additional level of risk on your

decisions to go or not go into that country," said Stephen Brown, former lobbyist for the refiner Andeavor and now a consultant with RBJ Strategies.

Congress still needs to approve the trade deal, but lawmakers are already confused over whether companies working with Mexico's state-owned oil company PEMEX would get access to protections. Republican Sen. [Bill Cassidy](#) told POLITICO he's been told both that it would and would not apply to them. [Read more here.](#)

**WELCOME TO WEDNESDAY!** I'm your host, Kelsey Tamborrino, closing out this short workweek and wishing you a happy Thanksgiving holiday! The National Association of Manufacturers' Rachel Jones knew former President Franklin D. Roosevelt [signed](#) the resolution in 1941 making Thanksgiving the fourth Thursday in November. As some of you guessed, former President Abraham Lincoln first established Thanksgiving on the last Thursday of November, but FDR changed it due to the possibility that Thanksgiving could fall on the last day of the month, shortening Christmas shopping season and subsequent economic recovery. For today: Which president was first to use the word "pardon" in reference to the Thanksgiving turkey? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](#), [@Morning\\_Energy](#) and [@POLITICOPro](#).

## ON THE HILL

**DEMANDING ACTION:** Youth climate activists flooded congressional district offices around the country Tuesday at more than 350 events, demanding House Democrats embrace Rep.-elect Alexandria Ocasio-Cortez's push for a select committee empowered to write bold legislation rapidly decarbonizing the U.S. electric grid. "If you are presenting 20 year proposals to get us to 50 percent carbon emissions, you are a climate change denier," Saikat Chakrabarti, Ocasio-Cortez's chief of staff, [tweeted](#), illustrating the scale of the ambition.

The calls appeared to have immediate effects even if some lawmakers stopped short of outright endorsing Ocasio-Cortez's committee. "I support any committee that would implement bold new ideas to address the threat of climate change head-on," Rep. [Peter DeFazio](#) [tweeted](#). "I look forward to continuing work with my colleagues on an agenda that includes a massive federal investment in new technologies, a radical reduction in greenhouse gasses and other bold ideas." Rep. [Betty McCollum](#) [endorsed](#) a Green New Deal after meeting with the Sunrise Movement. That group said Rep. [Ted Lieu](#) [backed](#) Ocasio-Cortez's select committee after meeting with youth protesters.

**SIERRA CLUB BACKS PELOSI:** The Sierra Club added its name to those [supporting](#) House Minority Leader [Nancy Pelosi](#)'s bid for speaker — its first ever endorsement in a House leadership race. "With the powerful new majority that was elected this month — including incoming progressives focused on the urgency of the climate crisis — Leader Pelosi can ensure the House takes on the



challenges that face our nation," Sierra Club Executive Director Michael Brune said in a statement. That includes investing in infrastructure, promoting clean transportation, and advancing policies like a Green New Deal, Brune added.

More importantly, Rep. Marcia Fudge endorsed Pelosi for speaker, just days after openly mulling a challenge to the California Democrat. The move dealt a significant blow to those trying to out Pelosi. Read it here.

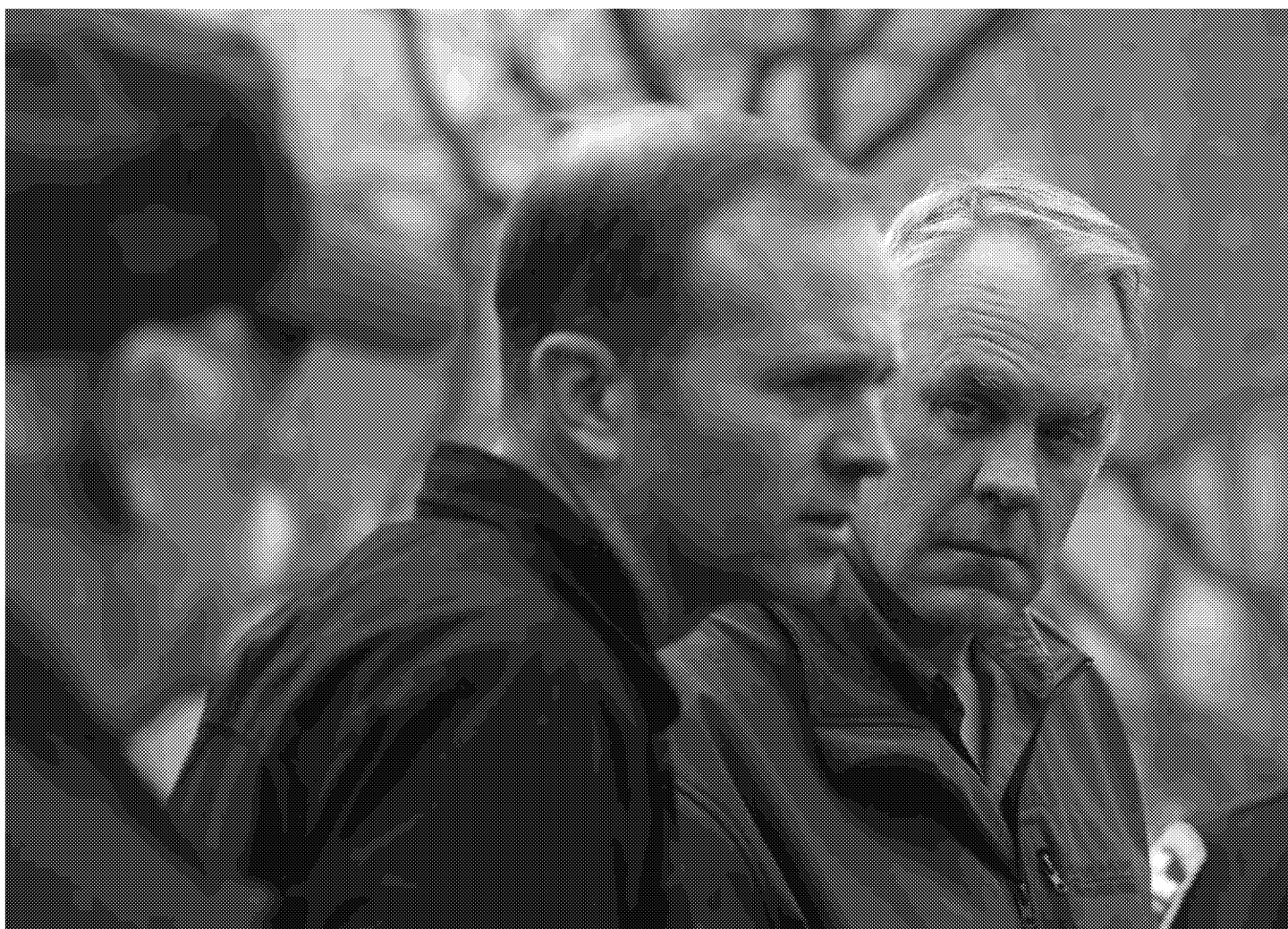
**CLIMATE CAUCUS LOSES ANOTHER:** Another Republican member of the Climate Solutions Caucus lost re-election on Tuesday. The Associated Press called Utah's 4th Congressional District race for Democrat Ben McAdams, defeating incumbent Rep. Mia Love by a margin just over what would have been needed for a recount.

## AROUND THE AGENCIES

**ZINKE DOUBLES DOWN ON 'RADICAL' GREENS:** Interior Secretary Ryan Zinke on Tuesday continued to blame "radical environmental groups" for "unsustainable and unacceptable" forest management practices in California, where back-to-back seasons of costly fires have claimed hundreds of lives and caused billions in damage.

Zinke, on a call with reporters Tuesday that included Agriculture Secretary Sonny Perdue, sidestepped a question from POLITICO asking him to identify the environmental groups he has repeatedly accused for the state's problems. Zinke acknowledged persistent drought and rising temperatures in California but insisted that green groups are responsible. "Every time there is a thinning project, who is suing? Lawsuit after lawsuit by, yes, the radical environmental groups that would rather burn down the entire forest than cut a single tree — or thin the forest. So yes, I do lay it at their feet." He also didn't say whether President Donald Trump would carry out his threats to cut federal funding to the state because of alleged "mismanagement" of forests.

Perdue agreed that "well-meaning environmentalists" share the blame. "If not doing anything to the forests kept them pristine, I'd be all for that. That's the problem," Perdue argued. "That's been the theory from well-meaning environmentalists over the years, is that a forest that you did nothing to was pristine. We know that's not to be the case."



Interior Secretary Ryan Zinke looks on as FEMA Administrator Brock Long speaks during a tour of a school burned by the Camp Fire on Nov. 14, 2018 in Paradise, California. (Photo by Justin Sullivan/Getty Images)

Zinke, who oversees the National Park Service and Bureau of Land Management, and Perdue, who has purview over the Forest Service, are chiefly responsible for oversight as the majority of California's forest land is managed by the federal government. Both called for more federal control and more aggressive measures on management issues in forest regions. Perdue said the Forest Service "would love to" develop more regular schedules of controlled burns. He also acknowledged there are no requests in the upcoming spending bill to increase forest management funding, noting that an omnibus bill has funding for 2020 — but not for next year.

**Zinke Departure Watch:** Trump has not yet made a decision on Zinke's fate, [The Washington Post reports](#), nor has the president "received the briefing on multiple investigations his staff originally planned to give him a week ago."

**RFS MANDATES EXPECTED NEXT WEEK:** Word on the street is that EPA will release the final rule setting biofuel blending requirements next week. Expect the numbers to be pretty close to what it proposed in June — 19.88 billion total gallons, including 15 billion gallons of conventional ethanol.

Despite expectations for a release next week, the agency has in the past dropped the final rule the day before Thanksgiving, so everyone should stay on their toes for news.

**Speaking of:** Iowa Sen. Chuck Grassley responded to a Reuters report Tuesday night that EPA is expected to propose new targets for the final three years of the RFS in January with volumes closer to the industry's output. If the reports are accurate, Grassley said in a statement, EPA may now use the "weakened state" of the program after issuing hardship waivers to "justify gutting" it further. Acting Administrator Andrew Wheeler is now "in a position to avoid the missteps and abuses of power of his predecessor at the agency," he said.

**FOR YOUR RADAR:** The U.S. Fish and Wildlife Service is adding protections for the candy darter, a freshwater fish species from Virginia and West Virginia, under the Endangered Species Act, according to a notice set to be published today in the Federal Register.

## BEYOND THE BELTWAY

**FIRE VICTIMS SUE UTILITY:** Victims of the Woolsey Fire are suing Southern California Edison, alleging the utility failed to shut off power before the fire started and contributed to the destruction by ignoring warnings of extreme fire weather, the Associated Press reports. Attorneys said Tuesday that nearly 20 people are part of the class-action suit filed last week. The cause of the Southern California fire is under investigation.

**COAST GUARD ORDERS SPILL CLEANUP:** The Coast Guard ordered Taylor Energy Company to contain and clean up an oil spill that has leaked more than one million barrels of oil since 2004, The Washington Post reports, or face fines of \$40,000 per day. The order follows an earlier report from the Post on the 14-year, ongoing spill.

**VIRTUAL REALITY:** The Climate Vulnerable Forum today will kick off its "Virtual Climate Summit," where global environmental leaders will discuss climate action in response to the IPCC special report that laid out a timeline to stave off the worse impacts of climate change. The carbon-free summit will be entirely online and feature livestreamed events and pre-recorded videos. The outcomes of the virtual summit will feed into the Talanoa Dialogue at COP24 in Katowice, Poland, next month. The event will feature statements from U.N. Secretary-General António Guterres; Christiana Figueres, a former U. N. climate envoy; and former Vice President Al Gore. See the agenda.

**BY THE NUMBERS:** October marks the 406th consecutive month that temperatures hit above the 20th-century average, according to NOAA data released Tuesday. October 2018 was the second highest for the month of October in NOAA's data set, which dates to 1880. The temperature was 1.55 degrees Fahrenheit above the 20th century average of 57.1 degrees Fahrenheit. NOAA also found that

year-to-date global temperature was 1.39 degrees Fahrenheit above the 20th-century average of 57.4 degrees Fahrenheit — making it the fourth highest for January-October in the 139-year record.

**WATCHDOG LOOKS AT EXTREME HEAT:** As temperatures warm, [a new report](#) from watchdog group Public Citizen is raising the alarm about Florida media coverage of climate change and extreme heat. Between January 2017 and October 2018, the report calculated that Florida newspapers published 2,161 articles that mentioned sea-level rise, and fifty-seven percent of those articles mentioned climate change. During the same period, of the 785 articles that covered extreme heat, 22 percent mentioned climate change.

**WILDLIFE GROUP LAUNCHES LWCF ADS:** The National Wildlife Federation will run print and digital ads in [the Denver Post](#) and the [Bozeman Daily Chronicle](#) as part of a six-figure buy highlighting the expiration of the Land and Water Conservation Fund. The ads call on lawmakers to permanently reauthorize and fully fund the conservation program.

## MAIL CALL

**WHAT A WASTE:** Sen. [Ron Wyden](#) has asked the Energy Department to extend the public comment period 120 days for its proposed new definition of high-level radioactive waste. In [a letter](#) to Anne Marie White, assistant secretary for environmental management, Wyden wrote that narrowing the scope of what's considered high-level waste "is departing from long-standing policies and legal interpretations."

## MOVERS AND SHAKERS

**Erik Solheim** is [stepping down](#) as executive director of U.N. Environment, effective Thursday. The U.N. secretary-general asked Solheim to resign as complaints from other countries ratcheted up against his frequent flying and internal rule-breaking, [The Guardian reports](#). "It is my most sincere hope that this proves to be in the best interest of U.N. Environment and the wider U.N.," Solheim said in a statement Tuesday.

## QUICK HITS

- "'It's an exciting time': Duke Energy CFO touts technology, clean investments," [S&P Global Market Intelligence](#).
- "Top [regional EPA] official's sudden exit sparks turmoil," [E&E News](#).
- "Coast Guard investigates oil pipeline spill in Louisiana," [Associated Press](#).

- "Utility, coal interests at odds as EPA weighs trading in power rule," Bloomberg Environment.
- "Palm oil was supposed to help save the planet. Instead it unleashed a catastrophe," The New York Times.

## HAPPENING TODAY

\*crickets\*

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

# POLITICOPRO

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/26/2018 9:52:51 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by Chevron: Climate shifting in Democratic message — Comments due on emissions proposal — Ross huddles with Chevron

[View online version](#)

# MORNINGENERGY

10/26/2018 05:51 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

---

*With help from Victoria Guida*

**A CHANGING CAMPAIGN CLIMATE:** For years, Democratic candidates have struggled to make climate change resonate with voters in their campaigns, so they've taken a muted approach that has left some environmentalists frustrated. But that's starting to change this cycle, with Senate, House and gubernatorial candidates across the country pointing to the economic pain caused by the devastation from powerful hurricanes and wildfires — as well as the benefits from the fast-growing green sector.

As Pro's Zack Colman reports, voters will hear Democrats press that dollars-and-cents message. "Climate change as a scientific conversation, temperature — it's hard to get your arms around," said Steve Schale, a Democratic political strategist in Florida. "What Democrats have done very well in this cycle is draw a direct line between climate change and what people are experiencing in their communities."

For example: Florida's Democratic gubernatorial candidate, Andrew Gillum, has promised to "lean into the challenge of the green economy," while New Mexico Democratic gubernatorial

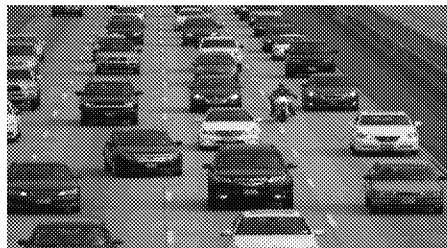
nominee Michelle Lujan Grisham has championed renewable energy, even scaling a wind turbine in a campaign ad.

Democrats in most places may also have the numbers on their side, with employment in renewable energy sources like wind and solar totaling nearly seven times the number of people who work in the coal industry, Zack writes. That's the message Republican donor Jeffrey McDermott, the managing director of Greentech Capital Advisors, is pressing. He didn't vote for President Donald Trump, but says he thinks his party is missing an opportunity by focusing on fossil fuels. "Disconnecting from change doesn't recapture the past, it loses the future," McDermott said. Read the story.

**IT'S FRIDAY!** I'm your host, Kelsey Tamborrino. FTI Consulting's Lelah McCarthy knew the small island country of the Faroe Islands is home to the most Nobel prize winners per capita: one. But with a population of about 50,000, its per capita rate exceeds all others. For today: Who is the only former president to hold a patent? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**Join POLITICO Playbook Co-Authors Anna Palmer and Jake Sherman** for a special Playbook Elections event in Pennsylvania to discuss the 2018 midterm cycle and issues shaping the races. This event, part of the POLITICO-AARP Deciders series, will feature an exclusive conversation with elected officials, addressing issues that matter most to voters.

**President Donald Trump says a red wave is coming on Election Day.** Is he right, or will the tide turn blue? Compete against the nation's top political minds in the POLITICO Playbook Election Challenge, by correctly picking the winning candidates in some of the most competitive House, Senate and gubernatorial races in the country. Win awesome prizes and eternal bragging rights. Sign up today: Visit [politico.com/playbookelectionchallenge](https://politico.com/playbookelectionchallenge) to play.



Morning traffic in Los Angeles, Calif.

**TODAY'S THE DAY:** Comments are due today on the Trump administration's proposal to freeze Obama-era fuel economy standards for cars and light trucks. California remains front and center in the fight against the joint EPA-National Highway Traffic Safety Administration proposal, vowing to fight the administration over its plan to eliminate the waiver that grants

the state power to enforce its own stricter standards. On a call with reporters this week, California Attorney General Xavier Becerra said the state intends to make the point in its comment letter that U.S. light-duty vehicles already account for approximately 3 percent of total global emissions. "That may sound small, but that's equivalent to all greenhouse gas emissions from major economies like Germany or the United Kingdom," he said.

The Natural Resources Defense Council outlined its comments in a blog post, writing that it will respond to the "fact that federal law requires that 1) NHTSA set fuel economy levels at their 'maximum feasible' levels and 2) EPA set emissions standards that will protect public health and welfare. Neither agency has met those requirements, making their proposed changes illegal." Elsewhere, close to 100 health and medical organizations have submitted comment arguing against the proposal because of its effect on health, climate change and states' rights.

**On the other side:** Ninety conservative groups signed a joint letter to EPA on Thursday in support of the Trump administration's rewrite of Corporate Average Fuel Economy standards, arguing they are "directly responsible for additional fatalities on the road." When former Administrator Scott Pruitt initially announced plans to roll back EPA's greenhouse gas standards, he made clear lowering the upfront costs of new vehicles was a concern, in part because he said higher prices could motivate consumers to continue driving older cars. In the letter — signed by former Reagan administration Attorney General Ed Meese, American Energy Alliance's Thomas Pyle, and Americans for Tax Reform's Grover Norquist, among others — the conservatives argue the existing standards "not only anticipated a five-year review, but their questionable effectiveness has demonstrated that one is deserved."

## AROUND THE AGENCIES

**TOUR DE NATIONAL LAB:** Energy Secretary Rick Perry will visit the Brookhaven National Laboratory in Upton, N.Y., today, closing out his tour of the department's 17 national labs. Perry will tour the facility and deliver remarks at an all-hands meeting with employees.

**IN OPPOSITION:** Of the 152 responses DOE received on FirstEnergy Solutions' plea this March for an emergency order to keep its power plants operating, most were opposed to the idea, S&P Global Market Intelligence reports. According to documents the website received under the Freedom of Information Act, "the vast majority" of comments DOE gathered through May 24 urged the department not to grant FirstEnergy Solutions' request. The department did not open a formal comment period but did accept stakeholder input, gathering insight from several gas and power industry groups. "More fundamentally, most



stakeholders backed PJM's assertion that no grid emergency existed in the region to justify subsidizing FES's at-risk plants," S&P Global reports.

**ROSS HUDDLES WITH CHEVRON:** Commerce Secretary Wilbur Ross had a policy meeting with Chevron CEO John Watson last year while his wife still held a more than \$250,000 stake in the energy company, Pro's Victoria Guida reports. Newly released detailed calendars obtained by transparency watchdog American Oversight under FOIA show that Ross met with Watson on March 22, 2017, so the executive could "share Chevron's perspectives on global oil and gas developments and to discuss tax reform and trade."

Ross' wife, Hilary, sold between \$50,001 and \$100,000 of her stake on May 15, 2017, and another \$100,001 to \$250,000 two days later, according to financial disclosure documents on the website of the Office of Government Ethics. A Commerce spokesperson said Ross "has not taken any action with a direct and predictable effect on their financial holdings." Regarding the meetings, the official said, "the Secretary's staff consulted with Commerce ethics officials for advice."

## BEYOND THE BELTWAY

**IN FULL DOOM:** California Gov. Jerry Brown will serve as executive chairman of Bulletin of Atomic Scientists, the organization, which maintains the Doomsday clock, announced Thursday. Brown will join the nonprofits' three board chairs "to further the organization's mission of providing the information needed to reduce manmade existential threats such as nuclear war, climate change, and disruptive technologies," it said. In a statement, the outgoing governor said he was "honored" to join the group. "I look forward to working with the Bulletin's leadership, as we strive to identify public policies and scientific breakthroughs that will have a lasting impact on the future of our planet," he added.

**CRS: AQUEDUCT DOESN'T HAVE TO BUY COAL:** A new report out this week from the Congressional Research Service says the Central Arizona Project aqueduct is not required to buy power from the Navajo Generating Station, according to Bloomberg BNA. CRS "concluded that a 1969 agreement under which the Central Arizona Project would buy Navajo Generating Station power will expire at the end of 2019," Bloomberg BNA writes. "After that time, the aqueduct system is free of any further obligation." The news follows a push from the Trump administration earlier this year to keep the struggling coal plant in business. Without a new buyer, the generating station is scheduled to close by the end of next year.

**TAKE A GLANCE!** The close of 2018 is expected to bring with it a record decline in U.S. coal-fired capacity, according to a new report from the Institute for Energy Economics and Financial Analysis, which advocates for sustainable energy sources. At least 36.7 gigawatts of

coal-fired capacity is slated to be retired from 2018 through 2024, or a total of 117 units. The report calculated that a total of 15.4 GW of capacity will close this year through the retirement of 44 units at 22 plants across more than a dozen states. The Ohio River Valley is expected to be among the hardest hit, the report found. It pointed to declines at FirstEnergy Solutions, Murray Energy and Westmoreland Coal in particular.

**REPORT: INJURIES JUMP AT MURRAY MINES:** Injury rates at five coal mines in West Virginia more than doubled after their acquisition by Murray Energy in 2013, coinciding with an increase in the amount of coal produced per man hour, [a Reuters review](#) of federal data found. "The injury rate at the five mines averaged 6.35 per 200,000 work hours last year, up from 2.79 in 2013," when Murray Energy bought the mines from CONSOL Energy, Reuters reports using data from the U.S. Mine Safety and Health Administration. "That's the highest injury rate for the group in a decade and 70 percent above the national average for underground mines, the data show."

**\*\* A message from Chevron:** Role models help young women pursue STEM education and careers, and Chevron is dedicated to STEM initiatives through its partnerships and programs. Record a Thank You video for the role model who inspired you [here](#). \*\*

## MAIL CALL

**KOCH AGAINST EV CREDIT EXTENSION:** Koch Companies Public Sector wrote to lawmakers in [the House](#) and [Senate](#) this week urging them to oppose [H.R. 7065 \(115\)](#) and other efforts that would expand federal tax credits for plug-in electric vehicles through 2022. "We do not oppose electric vehicles — they are an option for people who value this fuel source in meeting their personal transportation needs," wrote Philip Ellender, the company's president of government and public affairs. "We do oppose their subsidization by the government." On the Senate side, [Dean Heller](#), who's in a tough reelection battle in Nevada, has recently introduced [a bill](#) to extend the credit through 2022. "Americans for Prosperity, the Kochs' nonprofit political advocacy arm, has yet to endorse Heller," Bloomberg [points out](#).

**LIHEAP IN:** Massachusetts Sens. [Ed Markey](#) and [Elizabeth Warren](#) are asking Senate leaders and appropriators to include money for the Low Income Home Energy Assistance Program emergency contingency fund in the next appropriations bill to help residents heat their homes following the September natural gas explosions in the state that left thousands without gas service. "Without it, the unexpectedly higher costs of these residents' home heating needs may mean that the state will lack the necessary funds to address other low-income residents' heating needs by the end of the winter," they wrote in [a letter](#) Thursday.

**2020 BUDGET VISION:** The Optical Society, the international society for optics and photonics, and the Advanced Nuclear Weapons Alliance Advocacy wrote to Perry and Defense Secretary Jim Mattis on Thursday in support of the National Nuclear Security Administration's inertial confinement fusion program. The three organizations called on the secretaries to put at least \$565 million into the fiscal year 2020 budget for the program, which they say is critical to national security. "It is an integral part of the science-based Stockpile Stewardship Program, which is to ensure our nuclear weapons are safe, secure, and effective," the letter says, adding the program helps draw "talented scientists, engineers, and students to national security and related research."

## 2018 WATCH

**CRES BACKS IN GUBERNATORIAL RACES:** Citizens for Responsible Energy Solutions, a conservative environmental group, will announce today endorsements in several gubernatorial races: Massachusetts Gov. Charlie Baker, Ohio's Mike DeWine, Arizona Gov. Doug Ducey, Maryland Gov. Larry Hogan and Vermont Gov. Phil Scott. "CRES is endorsing a strong slate of Republican gubernatorial candidates who have proven records of leadership and support for advancing the free-market, clean-energy policies that Americans want and our economy demands," Executive Director James Dozier said in a statement.

## QUICK HITS

- "Oregon governor joins other states in offshore drilling ban," Associated Press.
- "Category 5 typhoon Yutu devastates the Northern Marianas in worst storm to hit any part of U.S. since 1935," The Washington Post.
- "Puerto Rico moves to make island run on completely green energy by 2050," The Hill.
- "A look at the climate science sent to Trump," E&E News.
- "Oil industry sticks with Saudi Arabia through Khashoggi scandal," The Wall Street Journal.

## HAPPENING TODAY

8:30 a.m. — Wharton Energy Conference 2018, Philadelphia.

9:30 a.m. — Columbia University Center on Global Energy Policy discussion on "IEA's Renewable Energy Market Report 2018," New York City.

10 a.m. — Justice Department forum on combating wildlife poaching and trafficking, 950 Pennsylvania Avenue NW.

Noon — Institute for Policy Studies [discussion](#) on "Saving the Climate: But For Whom?" 1301 Connecticut Avenue NW.

## THAT'S ALL FOR ME!

**\*\* A message from Chevron:** Women make up nearly half of the U.S. workforce, yet hold about 25% of STEM jobs. This presents a problem for U.S. companies who need a strong and diverse STEM talent pool. To help address this need, Chevron has invested \$400MM since 2013 to support education globally. See how Chevron is partnering with various organizations to inspire more girls to enter STEM fields. <http://www.chevron.com/education>

**\*\***

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

# POLITICOPRO

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/3/2018 9:54:44 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by Growth Energy: Mountain Valley Pipeline stumbles again — PJM's new proposal for FERC — NOPEC's moment?

By Annie Snider | 10/03/2018 05:52 AM EDT

*With help from Ben Lefebvre, Alex Guillen and Darius Dixon.*

**PROGRAMMING NOTE:** Morning Energy will not publish on Monday Oct. 8. Our next Morning Energy newsletter will publish on Tues. Oct. 9. Please continue to follow Pro Energy issues here.

**MORE LEGAL TROUBLE FOR MOUNTAIN VALLEY PIPELINE:** The 4<sup>th</sup> Circuit U.S. Court of Appeals dealt a major blow to the West Virginia pipeline project Tuesday when it vacated its Army Corps of Engineers permit, finding that the project didn't meet the requirements for a nationwide permit to harm streams and wetlands. The court vacated that verification and said it would explain its reasoning more fully in a forthcoming opinion, Pro's Ben Lefebvre reports.

**Sierra Club Executive Director Michael Brune** called on FERC to halt construction of the pipeline in light of the court's decision. "In their haste to make a quick buck, MVP rushed essential processes because they knew there was no way their dirty project would ever satisfy commonsense protections for water and health," he said in a statement.

**"Disappointed" but not defeated:** The project's developer, Mountain Valley Pipeline LLC said in a statement that it is assessing whether it can continue construction in areas that don't impact streams and wetlands along the 160 miles of the route covered by the vacated permit, and that it plans to apply for a new Army Corps permit following changes to permit when West Virginia's state certification process. The company said it expects to secure a new permit in early 2019 and hopes to have the pipeline fully in service by the fourth quarter of 2019.

**PJM OFFERS NEW PITCH TO SATISFY FERC:** Tuesday was the deadline to submit the initial round of comments to FERC's contentious order requiring that the nation's largest power market, PJM Interconnection, rewrite its capacity market rules to account for state-level policies like nuclear or renewable subsidies. Nobody expected PJM's response to be simple, but the proposal adds even more layers to the already complex capacity market, which effectively pays power plant owners to be available when the grid needs them most. In addition to setting up a price floor for generators to bid in, PJM suggests creating a "resource carve-out" mechanism, which would let states support a subsidized plant but remove them from the capacity auctions, as well as an "extended resource carve-out" for FERC to consider if they don't think that goes far enough.

PJM gave everyone a lot to chew on so you'll have to make the most of the time you have between now and Nov. 6 to tell FERC what you think.

**A little help on the way?** A couple of ME tipsters tell us that the White House is primed to announce its next pick for the FERC leadership, Bernie McNamee, as soon as this week.

**WELCOME TO WEDNESDAY!** I'm your guest host, Annie Snider, and am eternally grateful for all the bagel suggestions. The ME hivemind has spoken and Bullfrog is clearly the place to service our NYC bagel

needs (the whitefish salad, and jalapeno cream cheese were specifically endorsed). We'll see about that! But ME would be remiss if we didn't mention some honorable mentions: So's Your Mom, and Buffalo and Bergen.

**Today's trivia question:** Name the scientist who coined the phrase "global warming." Ben takes the reins to carry us until Kelsey's much-awaited return, so send your guesses, along with your tips, energy gossip and comments, to [blefebvre@politico.com](mailto:blefebvre@politico.com), and remember to follow us on Twitter [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**PRESIDENT DONALD TRUMP SAYS A RED WAVE IS COMING ON ELECTION DAY.** Is he right, or will the tide turn blue? Compete against the nation's top political minds in the POLITICO Playbook Election Challenge, by correctly picking the winning candidates in some of the most competitive House, Senate and gubernatorial races in the country. Win awesome prizes and eternal bragging rights. Sign up today! Visit [politico.com/playbookelectionchallenge](https://politico.com/playbookelectionchallenge) to play.

**NOPEC GAINING?** Gas prices are rising, and so is animosity toward OPEC. The oil cartel, which President Donald Trump bashed at the United Nations last week, may find itself in the crosshairs again today at a Senate Judiciary subcommittee hearing on antitrust laws. The hearing will not focus explicitly on the Judiciary Chairman Chuck Grassley's NOPEC bill, S. 3214 (115) (115), which would allow the attorney general to bring antitrust lawsuits against OPEC members in U.S. courts. Sen. Mike Lee, who chairs the antitrust subcommittee holding today's hearing, is a co-sponsor of the bill, as is subcommittee ranking member Amy Klobuchar. Today's hearing may offer members of the Trump administration a chance to weigh in on the bill, and committee aides tell ME they expect it will "probably" come up.

**Versions of NOPEC have floated around for years without becoming law**, but supporters may now have an ally in the president, who has complained on Twitter about OPEC for years. Just last week, Trump accused OPEC of "giving us high oil prices," in his speech to the U.N. general assembly. "OPEC is a pet peeve for him," Joe McMonigle, a senior energy policy analyst at Hedgeye Potomac Research told Reuters. "Everybody thinks he could easily support NOPEC." The average U.S. gasoline price reached \$2.90 a gallon this week, up about 40 cents from a year ago, according to price tracking website Gasbuddy.com.

**Assistant Attorney General Makan Delrahim, of the Justice Department's Antitrust Division**, will be among today's witnesses; in 2008, while working in private practice, he endorsed an earlier version of the NOPEC bill. Grassley and House Judiciary Committee Chairmen Bob Goodlatte wrote to Delrahim in August asking for his input on this year's bill, and the committee said Tuesday it never received a reply.

**And what if it becomes law?** The U.S. could challenge Saudi Arabia and other cartel members under anti-trust laws if the NOPEC bill were ever enacted, but it's not necessarily clear to ME what could be won. Some analysts fear any lawsuit would simply provoke backlash from the cartel. "I have seen this type of proposal in the past, especially when prices rise," said Andy Lipow, president of Lipow Oil Associates, told ME. "The fear might be that if the U.S.A. litigated or seized assets, OPEC would simply take more oil off the market, sending prices higher. In the worst case, they stop selling to the U.S.A."

**COMPLEX OZONE LAWSUIT GOES TO COURT:** The D.C. Circuit Court of Appeals hears oral arguments today over a 2016 rule incorporating the 2015 ozone standard into the Cross-State Air Pollution Rule, which seeks to curb pollution from upwind states. Many of the issues are highly technical, and have to do with how pollution is measured, patterns are modeled, or emissions allowances were allocated. But the rule is under attack from two sides. Environmental and public health groups say the rule wasn't stringent enough, while industry and state challengers say it went too far. The case will be heard by Judges Sri Srinivasan, Patricia Millett and Robert Wilkins, all Barack Obama appointees.

**One big reason the Trump administration is defending this Obama rule:** EPA has relied on this ozone update to justify recent decisions not to require upwind states to cut even more emissions. In July, EPA said it

believes upwind states have done enough because of this regulation, and thus do not need to find further ways to curb pollution. And last month EPA rejected petitions from Maryland and Delaware asking it to require upwind states to do more about their pollution, saying those smokestacks are already covered under the 2016 update.

**If you go:** 9:30 a.m. at the E. Barrett Prettyman Courthouse; the hearing will also be audiostreamed on the court's website.

**\*\* A message from America's ethanol producers and farm supporters at Growth Energy:** E15 ethanol blends are cleaner, higher in octane, and approved for use in nine out of 10 cars on the road. They also can save consumers up to 10 cents per gallon. Learn more at <https://e15now.com> \*\*

**MURKOWSKI, BISHOP HUDDLING ON LWCF:** Senate Energy Chairman Lisa Murkowski (R-Alaska) has held some initial conversations with House Natural Resources Chairman Rob Bishop (R-Utah) about a possible path forward on reauthorizing the Land and Water Conservation Fund, she told reporters Tuesday. Both Murkowski and Bishop have raised concerns about the mandatory funding included in the measure to permanently reauthorize the LWCF, S. 569 (115), which was advanced by Senate Energy earlier Tuesday. "I want this measure to pass," Murkowski told reporters. "Working with our colleagues in the other body is going to be important as we advance what I think we all agree is a national priority — and it should be a national priority. We'll figure it out." More from Anthony Adragna here.

**IT'S STILL GOOD, IT'S STILL GOOD:** Alaska Gasline Development Corp. — the company behind the state's proposed Alaska LNG export terminal and pipeline — wants everyone to know that there's still room for its project after Shell announced yesterday it would build its own LNG terminal in British Columbia. Shell's LNG Canada, with a planned capacity of up to 14 million metric tons a year to be built by the middle of next decade, would target buyers in Asia, the same market the Alaska Gasline project is shooting for. In response, Alaska Development said it "reaffirmed" its agreement it signed last year with Chinese chemical company Sinopec, the Bank of China and China Investment Corp. to pursue an LNG project. "The supplemental agreement reaffirms the parties' intent to negotiate and conclude definitive agreements by December 31, 2018," Alaska Development said in a prepared statement.

**APPEALS COURT OPENS DOOR TO PFAS LITIGATION:** Residents whose drinking water has been contaminated by the military's use of firefighting foam can sue for government-funded medical monitoring, the U.S. Court of Appeals for the 3rd Circuit ruled Tuesday, poking a hole in the government's immunity defense. The joined cases were brought by two families in eastern Pennsylvania who say their drinking water wells were contaminated with the chemicals at levels far above EPA's health advisory level. A federal district court had dismissed the cases as barred under the Superfund law, but on appeal the 3rd Circuit held that the families could proceed with a portion of their case and seek medical monitoring.

**SEE YA IN SEATTLE:** Acting EPA Administrator Andrew Wheeler is in Seattle today, and will tour construction of the first major water infrastructure project to receive funding under the WIFIA loan program. The EPA in April approved up to \$134.5 million in loans for the Georgetown Wet Weather Treatment Station in Washington state's King County. The project is designed to collect and treat up to 70 million gallons of wastewater and stormwater each day that would otherwise spill into the Duwamish River, and ultimately Puget Sound, during heavy storms. On Thursday, Wheeler will hold a press conference at EPA's Region 10 office.

**SECRET SCIENCE ON THE HILL:** A Senate Environment and Public Works subpanel takes up the topic of scientific transparency today, as EPA considers how to finalize the controversial rule it proposed this spring that would block the agency from using many studies looking at the effects of pollution on human health.

**One of the less discussed aspects of the EPA proposal** may also get some airtime — the move to change the default assumption that there is no safe level of exposure for carcinogens, which has been the focus of a major battle between the chemicals industry and public health advocates for years. Witness Edward Calabrese, a

toxicologist at the University of Massachusetts, Amherst, hailed the change as "correct and long overdue" in comments on the rule, while advocates have argued it runs counter to increasing scientific evidence that there is no "safe threshold" of exposure to toxic chemicals.

**Implications for radiation?** The Associated Press reported Tuesday that those changes could affect how the federal government regulates radiation exposure for everything from workers at nuclear facilities to people living next to Superfund sites to medical workers doing X-rays and CT scans. Calabrese "has said weakening limits on radiation exposure would save billions of dollars and have a positive impact on human health," the AP reports.

**If you go:** The hearing is at 2:15 p.m. in Dirksen 406.

**ON ONE HAND:** Ardent Trump supporter Rep. Steve King (R-Iowa) tweeted a picture of his agenda — including E15 — written on his hand for what he said was a 75-minute private meeting with President Donald Trump.

**GET 'EM OUTTA HERE:** The Army Corps of Engineers, one of the country's main dam builders, took a major step to incentivize the removal of obsolete dams Tuesday, issuing guidance to its district offices on how to count the environmental benefits of removing dams when issuing mitigation credits. Developers spend billions of dollars each year on mitigation required by the Army Corps to offset damage to streams and wetlands. Those credits can be earned by restoring or creating wetlands and streams, but that has rarely included removing dams, which the Corps said in a statement are often more than a century old and create not just environmental harm but also public safety hazards.

**LAME-DUCK FUNDING FIGHT LOOMS:** When the House returns after the Nov. 6 elections, Speaker Paul Ryan and his deputies will have just four weeks to pass funding bills that keep the federal government open through the holidays — and the way they played the last funding fight this fall stands to make their job that much harder, Budget & Approps' Sarah Ferris reports this morning.

**Leaders gave up their best leverage for enticing votes** from both sides of the aisle by already approving an entire year of military funding and the vast majority of the government's non-defense spending. Without that to use as a bargaining chip, House GOP negotiators will be expected to deliver far more Republican policy victories to gain the votes from their own party. And if Democrats take the House, partisan battle lines are likely to harden on everything from President Donald Trump's demand for a border wall to environmental policies at the Interior Department. Read the full story here.

**MORE CRES ENDORSEMENTS:** The GOP clean energy group Citizens for Responsible Energy Solutions will make its third round of congressional endorsements this morning. Republicans winning the group's backing are Reps. Don Bacon (Neb.), Mike Coffman (Colo.), John J. Faso (N.Y.), Chuck Fleischmann (Tenn.), Garret Graves (La.), John Katko (N.Y.), Adam Kinzinger (Ill.), Leonard Lance (N.J.), Markwayne Mullin (Okla.), Francis Rooney (Fla.), Mimi Walters (Calif.), Kevin Yoder (Kan.), Ted Yoho (Fla.) and Lee Zeldin (Fla.), as well as Dusty Johnson, a candidate for South Dakota's House seat.

**CAP ON TONGASS:** Ahead of today's public hearing on whether to exempt the nation's largest national forest from federal rules limiting construction in national forests, the Center for American Progress has a report arguing that timber production in the Tongass national forest is a waste of taxpayer dollars and harms other industries, including fisheries and tourism.

## QUICK HITS

— "Trump's Import Tariffs Will Make U.S. Wind Power More Expensive." Bloomberg



— "PJM: FirstEnergy can shut 4 GW of fossil plants without harming reliability." [UtilityDive](#)

— "Elon Musk's Ultimatum to Tesla: Fight the SEC or I quit." [New York Times](#)

— "In about-face, Gov. Bruce Rauner calls for Sterigenics shutdown after weeks of downplaying cancer risks." [Chicago Tribune](#)

## HAPPENING TODAY

9:30 a.m. — Natural Gas Supply Association winter outlook [briefing](#). Bloomberg Room at the National Press Club Press, 529 14th Street N.W.

1:30 p.m. — U.S. Forest Service public hearing on exempting the Tongass National Forest from the federal Roadless. Holiday Inn Capitol, 550 C Street S.W.

2:15 p.m. — Senate Environment and Public Works subcommittee on Superfund, Waste Management, and Regulatory Oversight hearing titled "EPA Oversight of the Environmental Protection Agency's Implementation of Sound and Transparent Science in Regulation." 406 Dirksen.

*CORRECTION: The Oct. 2 edition of Morning Energy misidentified the organization that helps energy companies address methane leaks. It is the Oil and Gas Climate Initiative.*

## That's all for ME!

**\*\* A message from America's ethanol producers and farm supporters at Growth Energy:** Outdated EPA regulations block many retailers from offering E15 fuel blends year-round, but President Trump has promised a fix. That means consumers will be able to take advantage of ethanol blends that are cleaner, higher in octane, and approved for use in nine out of 10 cars on the road. E15 can also save consumers up to 10 cents per gallon. America's biofuel leaders at Growth Energy are calling on the EPA to act quickly on the president's plan to open year-round competition at the fuel pump. Learn more at <https://e15now.com> \*\*

*To view online:*

<https://subscriber.politicopro.com/newsletters/morning-energy/2018/10/mountain-valley-pipeline-stumbles-again-360685>

## Stories from POLITICO Pro

### Court delivers new setback for Mountain Valley pipeline [Back](#)

By Ben Lefebvre | 10/02/2018 07:28 PM EDT

A U.S. appeals court vacated an Army Corps of Engineers permit for the Mountain Valley Pipeline in West Virginia today, a potentially major setback for the developer of the proposed natural gas conduit.

The [order](#) from the 4th Circuit U.S. Court of Appeals in West Virginia said the Corps improperly verified the pipeline complied with a nationwide permit. The court vacated that verification and said it would explain its reasoning more fully in a forthcoming opinion.

The ruling may hinder Mountain Valley's ability to continue construction of the pipeline in what has already been a [litigious](#), on-again-off-again project. Mountain Valley Pipeline LLC [said](#) in late September that court-

ordered work stoppages along the route caused it to bump the project's total cost estimate to \$4.6 billion. A company spokesperson did not immediately reply to questions.

"Because the court has vacated the [permit] in its entirety, we anticipate that FERC is likely to issue a broad stop work order, halting construction on all incomplete water crossings (unless there are strong environmental reasons not to do so)," ClearView Energy partners wrote in a note to clients.

The Sierra Club and other environmental groups that opposed the pipeline cheered the court's decision.

"In their haste to make a quick buck, MVP rushed essential processes because they knew there was no way their dirty project would ever satisfy commonsense protections for water and health," said Sierra Club Executive Director Michael Brune in a statement. "Now, FERC must require MVP to immediately stop construction on the pipeline."

*To view online [click here](#).*

[Back](#)

**Sources: DOE's McNamee to get FERC nod [Back](#)**

By Eric Wolff and Darius Dixon | 08/08/2018 04:07 PM EDT

The White House plans to nominate Energy Department official Bernard McNamee to fill the FERC leadership seat being vacated by departing Commissioner Rob Powelson, three sources familiar with discussions tell POLITICO.

McNamee helped roll out Energy Secretary Rick Perry's proposal last year to save struggling coal and nuclear power plants — an issue that sources have said served as a key litmus test for Trump administration officials evaluating a replacement for Powelson, who is [set to resign](#) Friday.

FERC in January unanimously voted down that plan, which sought to create special payments for power plants capable of holding 90 days of fuel on-site. But the administration has been considering additional options such as invoking rarely used emergency powers to force power plants to run, which would potentially give McNamee a chance to provide the pivotal vote on the subsequent rates and rules as a commissioner.

It is unclear when President Donald Trump would formally nominate McNamee, and the vetting process still seems to be underway. It would likely take the Senate several months to confirm him, a process that would start with hearings at the Energy and Natural Resources Committee.

Neither the White House nor DOE immediately responded to requests for comment Wednesday.

McNamee, who runs the DOE's Office of Policy, has been in and out of the agency under Trump. He was deputy general counsel for energy policy last year when he worked on Perry's ill-fated proposal to FERC. In February, he left DOE for a senior post with the Texas Public Policy Foundation, a conservative think tank [with ties to Perry](#), before returning to DOE in May.

Before joining the Trump administration, McNamee previously worked at McGuireWoods, as chief of staff to Texas Attorney General Ken Paxton and as an aide to Sen. [Ted Cruz](#) (R-Texas).

*To view online [click here.](#)*

[Back](#)

## **Murkowski says she's spoken with Bishop on LWCF [Back](#)**

By Anthony Adragna | 10/02/2018 03:28 PM EDT

Senate Energy Chairman [Lisa Murkowski](#) (R-Alaska) said today she's held some initial conversations with House Natural Resources Chairman [Rob Bishop](#) (R-Utah) about a possible path forward to reauthorizing the Land and Water Conservation Fund.

"I want this measure to pass," she told reporters. "Working with our colleagues in the other body is going to be important as we advance what I think we all agree is a national priority — and it should be a national priority. We'll figure it out."

The Energy and Natural Resources Committee earlier today advanced legislation, [S. 569 \(115\)](#), permanently reauthorizing LWCF and providing mandatory funding despite Murkowski's [serious concerns](#) with that approach. Bishop has warned that mandatory spending would likely doom the Senate bill in the House, and he moved his own bill, [H.R. 502 \(115\)](#), without it in September.

"My concern is we won't be successful with this measure if we can't address that part," Murkowski said, adding that an offset would be required under Congressional Budget Office rules.

"Some may say that's just moving money from one pot to another," she said. "Yes, that is true, but when you talk about how items score around here, that is a reality."

*To view online [click here.](#)*

[Back](#)

## **Lame-duck funding woes await House GOP leaders [Back](#)**

By Sarah Ferris | 10/03/2018 05:00 AM EDT

Republican leaders dodged an October shutdown. But the way they played that first round of funding could make it hard to finish the job come December — especially if the midterms don't sway in their favor.

When the House returns after the Nov. 6 elections, Speaker [Paul Ryan](#) and his deputies will have just four weeks to pass funding bills to keep the government fully functioning through the holidays.

Complicating that task is the fact that they have given up their best leverage to entice votes from both sides of the aisle by clearing the deck for an entire year on military funding and the vast majority of the government's non-defense spending.

Add to that a midterm outcome that flips the House to a Democratic majority and it could be nearly impossible to muscle through the seven outstanding bills for fiscal 2019, at best prompting another stint of stopgaps and at worst stoking a pre-Christmas shutdown with Republicans in charge.

"That's the danger in not getting more bills done," said Rep. Tom Cole (R-Okla.), a senior appropriator, before House lawmakers departed. "Maybe we can get it done, but the election will impact what happens."

With five weeks until polls close, budget observers are eyeing a handful of factors that will determine the fate of funding for those agencies:

### **Democrats take the House:**

If the GOP is forced to surrender its eight-year House majority, partisan battle lines are likely to harden ahead of the Dec. 7 deadline for funding the many departments left hanging while others received full-year spending levels last month. That could heighten already well-trodden disputes on everything from President Donald Trump's demand for a border wall to environmental policies at the Interior Department and abortion restrictions for foreign aid.

A House that's even more polarized would make it far more difficult for leaders of both parties to strike a final funding deal, marking an abrupt end to Congress' most productive appropriations cycle in two decades and ensuring more spending uncertainty for the departments of Homeland Security, Commerce, Transportation, Housing and Urban Development, Justice, State, Agriculture and Interior, as well as foreign operations, the IRS, science programs and the EPA.

### **Last-minute GOP demands:**

Unlike this summer, Republican leaders can't dangle funding for the Pentagon or the Department of Veterans Affairs to get their fellow conservatives on board with bipartisan funding bills, since they already spent that bargaining chip for fiscal 2019. So House GOP negotiators will now be expected to deliver more Republican policy victories, or risk falling short on votes from their own party, according to multiple lawmakers and aides.

"A lot of us who are defense and fiscal hawks are really getting put in some tough situations right now. It's frustrating, and I don't like it," Rep. Mark Walker (R-N.C.), chairman of the roughly 170-member Republican Study Committee, told POLITICO last week. He added that he'll have "some issues" to raise in any lame-duck spending package.

Roughly a half-dozen House Freedom Caucus members also suggested last week that they plan to stir up an immigration fight when Congress takes on funding for the Department of Homeland Security.

"We should be doing what we said," Rep. Jim Jordan (R-Ohio) said in a last-minute push for border wall funding, one day before the House passed the main fiscal 2019 spending package, H.R. 5895 (115). "That's the single biggest issue voters voted us into power to accomplish, and we haven't yet done that."

### **Appetite for shutdown:**

Because Trump has already signed spending bundles that make up about 75 percent of all federal funding for the current fiscal year, hard-line Republicans could be more inclined to force a partial government shutdown, since it wouldn't hurt the VA or the military.

Whether the president would be willing to shut down the government over demands for more money to fund a wall along the U.S.-Mexico border is still an open question, though. Trump said this week that he has "a big decision to make after the election as to whether or not we go for it."

### **Dragging out the deadline:**

Given early conservative backlash against the remaining spending bills, Republican leaders will almost certainly require help from Democrats to pass bipartisan measures on the floor.

GOP leaders could have trouble enticing that support, however, if Democrats are newly empowered by election results and insist on punting all funding decisions until they have ushered in a new majority in January.

"Their temptation might be to hold off until the new majority shows up. I advise them to not do that," Cole said. "We did that, waiting for the president. It doesn't get you anything more and just creates a lot of work and anger."

### **Another omnibus:**

When the House adjourned last month, spending leaders were still negotiating an unfinished "minibus," H.R. 6147 (115), that includes funding for the departments of Agriculture, Interior, Transportation, and Housing and Urban Development, plus the IRS and EPA.

Conference negotiators could easily abandon work on that spending package now and simply wrap it up into a catchall omnibus with the remaining three fiscal 2019 bills that fund the departments of Homeland Security, Justice, State and Commerce.

"I don't think there is as much incentive," one House GOP aide said on the possibility of continuing talks on that four-bill package through November.

GOP appropriators like Sen. Richard Shelby (R-Ala.) have pushed to keep the "minibus" negotiations open through the fall, insisting that lawmakers are "very close" to a deal. But even Shelby acknowledged there is little chance of anything more than "some talk" getting done while House lawmakers are back home campaigning.

Lawmakers and aides have said that package has been repeatedly held up by policy issues within the Financial Services bill, while the other three measures — Transportation-HUD, Agriculture and Interior-Environment — are largely negotiated.

*To view online [click here](#).*

[Back](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

.....

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 1/4/2019 10:47:10 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: How Kathy Castor envisions her climate panel — Shutdown log, Day 14 — Zinke investigations still in focus

[View online version](#)

# MORNINGENERGY

01/04/2019 05:45 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com), [@kelseytam](#))

---

## QUICK FIX

— **Nancy Pelosi called climate change** the "existential threat of our time" during her opening address as the new speaker of the House, and said Congress must "put an end to the inaction and denial of science that threaten the planet and the future." Now comes the hard work of uniting the disparate factions of her caucus behind a solution. Florida Rep. Kathy Castor, who will lead the newly created House Select Committee on the Climate Crisis, spoke to POLITICO about her plans.

— **House Democrats voted to reopen several agencies** — including Interior and EPA — at updated funding levels through the end of the fiscal year and kicking the can on a border wall fight until Feb. 8. But with the bill facing bleak odds in the Senate, the partial shutdown could tread on for some time.

— **New Resources Chairman Raúl Grijalva** says he still wants Ryan Zinke to testify in front of his House committee, the latest sign that the former Interior secretary's resignation will not end scrutiny of his tenure.

**WELCOME TO FRIDAY!** I'm your host, Kelsey Tamborrino. The League of Conservation Voters' Arian Rubio was first to correctly name Grand Mesa in Colorado, which is the world's largest flattop mountain. Today's trivia question follows Pelosi's swearing-in as speaker, making her the first former speaker to reclaim the gavel since Sam Rayburn. For today: Who was the first former House speaker to do so? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com). Follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**Pro subscribers:** Are you getting all the content you want? Make sure your keywords are up to date and customized via your [settings page](#).

## DRIVING THE DAY

**CASTOR'S VISION FOR A SELECT PANEL:** Florida Rep. Kathy Castor, who will lead the Select Committee on the Climate Crisis that the House voted to create Thursday night, spoke to Pro's Anthony Adragna and Zack Colman about her vision for the panel. While Castor won't be able to issue subpoenas or lead markups in the committee, she says it will provide a "focal point" to push the standing committees to advance policies to reduce carbon emissions. "This is a select committee on the climate crisis that is the spirit of the New Green Deal. ... Our job now is to take that and put it into action: through law, through appropriations. The mechanics of that will be very labor intensive," Castor said.

**Read the whole Q&A [here](#).**

**FIRST ORDER OF BUSINESS:** House Energy and Commerce Chairman Frank Pallone announced Thursday the first hearing his committee will hold this year will tackle the environmental and economic impacts of climate change.

**"There is no more pressing issue** for our economy, our communities and our planet than climate change, and this is the first of many hearings the Committee will hold on this growing crisis," he said.

**Democrats will have to grapple with differing perspectives** within their caucus even as they seek to elevate the issue. Anthony and Zack break down the dynamics at play between diverging factions of the Democratic party. Progressives, led in part by Rep. Alexandria Ocasio-Cortez, are trying to push Democrats in the chamber into a more urgent posture, while others are cautious, like Rep. Henry Cuellar, who co-chairs the centrist Blue Dog Coalition. "We've got to find a way that we can



accommodate our goals and not be seen as anti-business," Cuellar said. "A lot of the oil-and-gas state folks feel the same way."

**REMEMBERING KEVIN MCINTYRE:** Officials and industry leaders throughout the energy world remembered the former FERC chairman and attorney by extolling his commitment to the independence of the commission he previously led. McIntyre died Wednesday after health problems had kept him away from the commission for the last several months.

**The McIntyre family released a statement:** "Kevin often said that being Chairman of FERC was his 'dream job' — he truly loved and believed in the agency, its mission, and its people. ... His commitment to his duty, and his faith in the FERC team, never wavered. We will always be grateful for the opportunity, however brief, that Kevin had to serve our country as FERC Chairman."

**McIntyre's passing leaves the commissioner's seat open** for a new member of FERC to be nominated and confirmed by the Senate, but it is unclear how long that will take. Until then, the commission's 2-2 partisan split is likely to prevent action on any controversial business, potentially delaying some natural gas projects.

## THE SHUTDOWN LOWDOWN

**SHUTDOWN LOG, DAY 14:** Pelosi and Senate Minority Leader Chuck Schumer will attend another meeting at the White House today on the shutdown, POLITICO's Burgess Everett reports. President Donald Trump has dismissed Pelosi's shutdown plan and said he would look "foolish" for reopening government departments unrelated to the immigration dispute.

**DOC OF THE DAY:** The White House veto threat cited "approximately \$2 billion in excessive" EPA funding among its objections to the House bill. "These and other excessive spending items makes the lack of adequate border funding in the combined package all the more unacceptable," the White House said.

**WHEELER NOMINATION STUCK?** Acting EPA Administrator Andrew Wheeler's formal nomination to replace Scott Pruitt could be held up by the ongoing government shutdown, Bloomberg Environment reports, citing an administration official.

## ALSO ON THE HILL

**THE SENATE ROSTER:** Senate Majority Leader Mitch McConnell unveiled the rosters for the Energy and Natural Resources and Environment and Public Works committees this Congress. Freshmen Republican Sens. Mike Braun and Kevin Cramer will be new members on EPW, while Martha McSally and Cindy Hyde-Smith will join ENR, Anthony reports.

**ZINKE INVESTIGATIONS STILL IN FOCUS:** Rep. [Raúl Grijalva](#), the new chairman of the Natural Resources Committee, says he still plans to seek testimony from former Interior Secretary Ryan Zinke "at some point" this year despite his exit from the Trump administration, Pro's Nick Juliano and Anthony [report](#).

**Grijalva's comments come as the Justice Department** is reportedly examining allegations that Zinke lied to the department's inspector general's office, [as first reported](#) by The Washington Post.

**Investigators interviewed Zinke twice** about Interior's decision to block a tribal casino in Connecticut, and numerous times in the course of its other investigations, he told POLITICO via text message Thursday, but he said he has not been contacted by DOJ.

## AROUND THE AGENCIES

**THE SWAMP RISES:** With Democrats also planning for numerous investigations, President Donald Trump's Cabinet "is increasingly stocked with temporary stand-ins and Washington insiders with deep ties to the industries they regulate," — including former coal and oil lobbyists serving as the acting heads of EPA and the Interior Department, POLITICO's Andrew Restuccia reports. And it's proving difficult to recruit qualified candidates for some top-tier vacancies across the administration. Read the whole thing [here](#).

**EPA WILL WEIGH GROUNDWATER POLLUTION:** EPA will weigh in the "next several weeks" on the fight over whether pollution traveling through groundwater to rivers and streams is covered by the Clean Water Act, a new Justice Department court [filing](#) said Thursday. The Supreme Court is currently weighing two cert petitions that would have justices resolve the question that has split circuit courts, as Pro's Annie Snider [reports](#). In Thursday's amicus brief, DOJ urged the high court to take up the question, but did not weigh in on the underlying issue of whether the Clean Water Act covered pollution moving through groundwater.

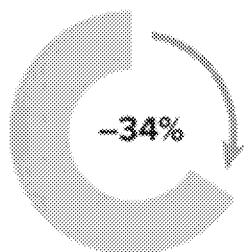
## DATAPoint

**DATA POINT:** EPA's [recent proposal](#) to revisit the Mercury and Air Toxics Standards downplays the weight of "co-benefits" that come from mercury reductions — a determination greens and Democrats say comes at the expense of public health. Pro's DataPoint takes a look at recent scientific consensus of the benefits associated with MATS, which finds they are broader than previously estimated.

## Recent scientific conclusions

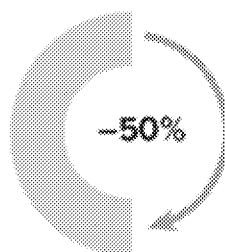
Mercury-related benefits of MATS are much broader than previously estimated. Mercury emissions affect childhood neurological development and are associated with adverse cardiovascular effects, endocrine disruption, diabetes risk and compromised immune function.

Mercury levels in the blood of women



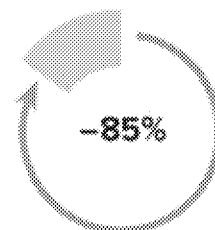
1999 to (2001-2010 avg.)

Children born with prenatal exposure to methylmercury



2006 to 2016

Mercury emissions from power plants



2006 to 2016

## BENEFITS FROM REDUCING MERCURY EMISSIONS

2017 Environmental Health estimate of **annual societal costs of neurocognitive deficits** associated with methylmercury exposure in the United States.

Less than \$0.01 billion

\$43 billion

View the full DataPoint graphic [here](#). Want to add [DataPoint](#) to your Pro account? [Learn more](#).

## THE GRID

- "How Volkswagen turned from diesel pariah into electric gorilla," [E&E News](#).
- "Northam proposes coal ash disposal, coastal protection bills," [Associated Press](#).
- "First California snow survey of 2019 shows snowpack is below average for this time of year," [ABC30 News](#).
- "Novel international greenhouse gas commitment goes into effect," [The Hill](#).

## HAPPENING TODAY

9 a.m. — House meets to continue consideration of [H.Res. 6](#), providing for the House Rules of the 116th Congress.

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

## Message

**From:** Tom Hassenboehler [thass@ec-map.org]  
**Sent:** 7/20/2018 7:24:25 PM  
**To:** Fred Turatti (TMNA) [fred.turatti@toyota.com]; Jack Barrow [jack.barrow@btr.energy]; Brown, Maryam S [MSBrown@Sempra.com]; Hull, Allison E [AEHull@sempra.com]; Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]; Robert Friedman [rfriedman@vng.co]  
**CC:** Michael Catanzaro [catanzaro@cgc.com]; Christina Stanton [Cstanton@ec-map.org]; Dominguez, Alexander [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=5ced433b4ef54171864ed98a36cb7a5f-Dominguez,]; Sean McGinnis [Smcginnis@ec-map.org]  
**Subject:** FW: EC-MAP Panel Confirmation and Update  
**Attachments:** 305-001 White Paper\_V3\_Pages.pdf

Looking forward to seeing everyone on Monday, thanks again for participating in what I hope to be a very interesting event. We have a great amount of RSVPs--so should be a full audience. Attaching the polished white paper that will be released Monday morning when the website goes live. It will be at [www.ec-map.org](http://www.ec-map.org) Some energy related press will be in attendance.

If you have any questions, don't hesitate to ask.

See you Monday.

Tom

**From:** Tom Hassenboehler  
**Sent:** Monday, July 16, 2018 1:01 PM  
**To:** Fred Turatti (TMNA) <fred.turatti@toyota.com>; Jack Barrow <jack.barrow@btr.energy>; Brown, Maryam S <MSBrown@Sempra.com>; Hull, Allison E <AEHull@sempra.com>; Gunasekara, Mandy <gunasekara.mandy@epa.gov>; Robert Friedman <rfriedman@vng.co>  
**Cc:** Michael Catanzaro <catanzaro@cgc.com>; Sean McGinnis <Smcginnis@ec-map.org>; Christina Stanton <Cstanton@ec-map.org>; Dominguez, Alexander <dominguez.alexander@epa.gov>  
**Subject:** EC-MAP Panel Confirmation and Update

All: Thank you for agreeing to be part of our transportation panel for next Monday's EC-MAP Launch event. **We expect the panel to begin at 4:45 and conclude at around 5:20**, and to be preceded by Senator Gardner's comments and concluded with Chairman Walden at the reception. We look forward to your participation.

Please make sure we have you listed correctly on the attached agenda, as we will be releasing this to invited guests and posting on site later today or tomorrow am.

As described to each of you before, the panel is meant to be a high-level introductory discussion of the challenges and opportunities that digitalization issues present to the transportation system, with a particular emphasis on existing legislative regulatory barriers and ways to use digital technologies to better connect with consumer preferences, from an infrastructure and fuels perspective, to enabling new vehicle technologies and services. Below are samples of high level questions that may be poised to the group as a whole that are grounded in the white paper, but If you have any particular question you would like us to focus on for you, or one you would rather us steer clear of, please let us know.

- How can fleets be leveraged to pilot emerging technologies? What policy mechanisms would help successful fleet demonstrations scale to other markets?
- How can your business models be better enabled by tracking consumer demand with digital technologies?

- Is CAFÉ relevant for driving efficiency, value, and choice to consumers? Is there a better approach that would sidestep tensions between the Federal government and states, companies and consumers?
- Should the RFS be allowed to expire? Are there market mechanisms (enabled by blockchain and other digital technologies) that could better enable clean, domestically produced fuels with the attributes consumers demand?
- How can policymakers increase access to transparent, verifiable data streams and empower consumers to drive markets for new vehicle and fueling choices and mobility services?
- What policies can incentivize the necessary investment (including by individuals and small communities) in physical and digital infrastructure?

Also for more background, attaching an introductory video that will be part of the website when launched, as FYI.

Thanks!



# NEW POLICY FOR AN ERA OF ENERGY DIGITALIZATION:

TRANSPORTATION  
JULY 2018

**EC-MAP**  
ENERGY CONSUMER MARKET ALIGNMENT PROJECT

# ABOUT EC-MAP

The Energy Consumer Market Alignment Project (EC-MAP) is a Washington, DC non-profit operating in collaboration with the Keystone Policy Center, an independent nonprofit founded in 1975 to drive actionable, shared solutions to contentious policy issues. We envision an energy future where digital technologies drive greater transparency, fair competition, and consumer choice—and where policy enables innovation instead of creating market barriers.

EC-MAP seeks to work with stakeholders to advance knowledge and associated policy mechanisms to accelerate the era of energy digitalization. Our goal is to enable a critical dialogue around identification of policy barriers and the future role of government to promote free and fair market competition and build policy consensus that benefits energy consumers, the economy, and the environment.



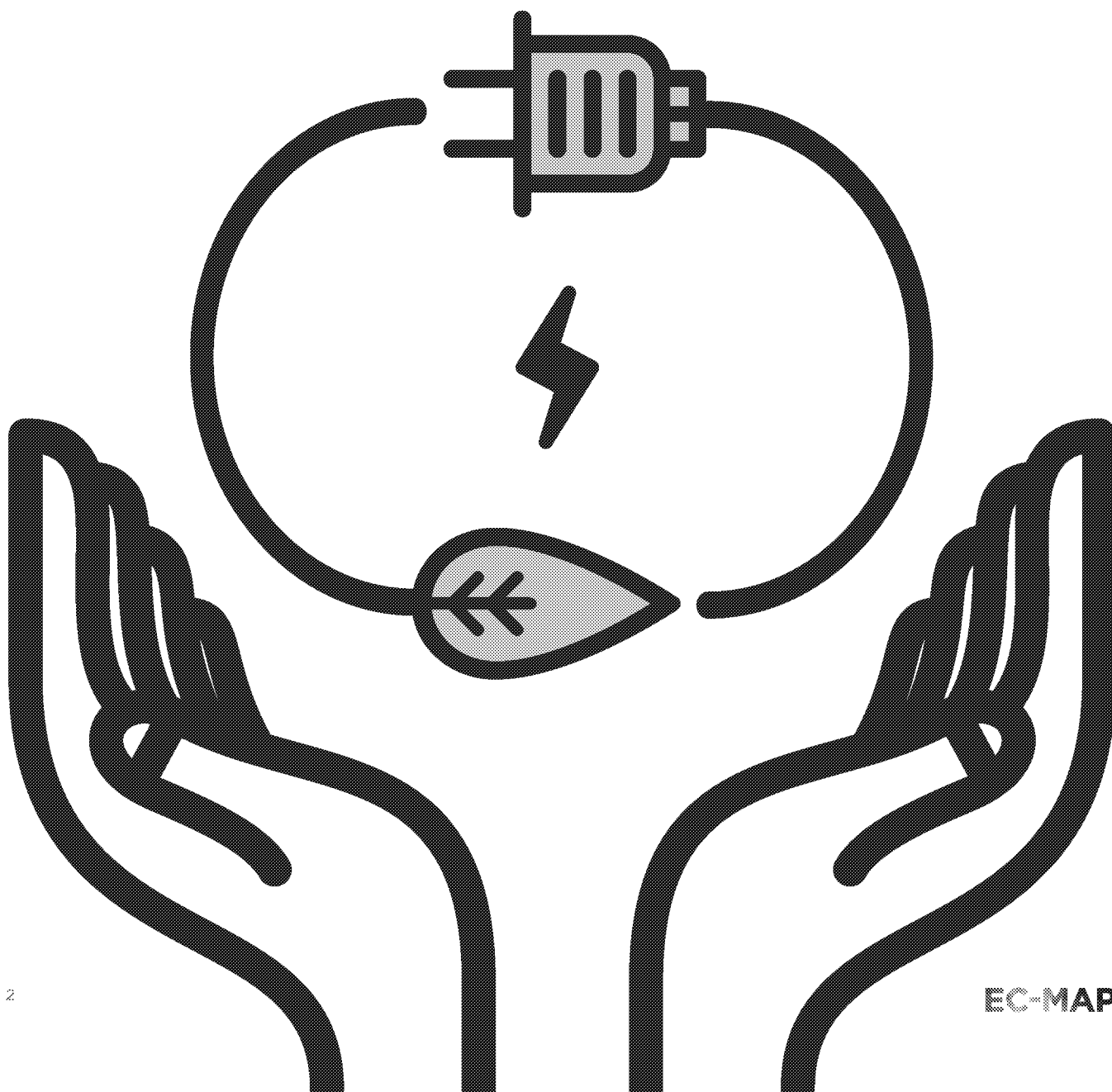
## ACKNOWLEDGEMENT

EC-MAP would like to acknowledge Alisa Ferguson for her significant contributions towards the development of this report. EC-MAP would also like to recognize the contributions of Christina Stanton and Sean McGinnis in preparing this report.

## TABLE OF CONTENTS

Executive Summary	2
<b>I. Our Changing Energy System</b>	<b>4</b>
Technology Drives Change	5
The Accelerating Pace of Digitalization	6
A New Role for Government	9
<b>II. How Existing Policy and Regulation Create Barriers to Change</b>	<b>10</b>
A Growing Gas Tax Gap	11
The CAFE Game	12
Advanced Biofuels: A Failed Experiment?	13
When Grid Modernization Meets Mobility	14
Table 1: Policy and Regulatory Architectures No Longer Aligned with a Changing Energy System	16
<b>III. A Digital Energy Future</b>	<b>18</b>
A Vehicle-Centric Grid	20
Zero Congestion Zones	20
Embracing Boutique Fuels	21
The Rise of the Attribute	22
Intelligent Logistics	23
Table 2: Potential Barriers to a Digital Future	24
<b>IV. How Do We Get There</b>	<b>26</b>
Further Reading	29
Endnotes	30

# EXECUTIVE SUMMARY



Throughout history, the energy system has gone through revolutions driven by technology and innovation. Today, change is being driven by three trends: decentralization, connectivity, and automation. Economies of scale for clean energy generation are rapidly transforming the grid and opportunities to connect electric vehicles to it, while advances in energy production technologies are giving regions of the country new fueling and infrastructure options. Real-time access to the internet, broadband, and mobile devices is driving consumer demand for transparency, empowering sustainable data management, and circumventing traditional limits to choice. Advances in computing and machine learning have enabled automation and advanced functionality to be embedded within vehicles, transportation infrastructure, and energy delivery systems and distribution networks.

Together these trends are enabling a new era of energy digitalization. This era will be dominated by crosscutting digital tools and platforms—including artificial intelligence, blockchain, crowdsourcing, the internet of things, and software that enables new business models—that can be applied to the energy system in myriad ways. This era is also one where change will be driven from the bottom-up—in other words, one where consumers play a much more significant role in meeting their energy needs and driving goals around cost, sustainability, and efficiency.

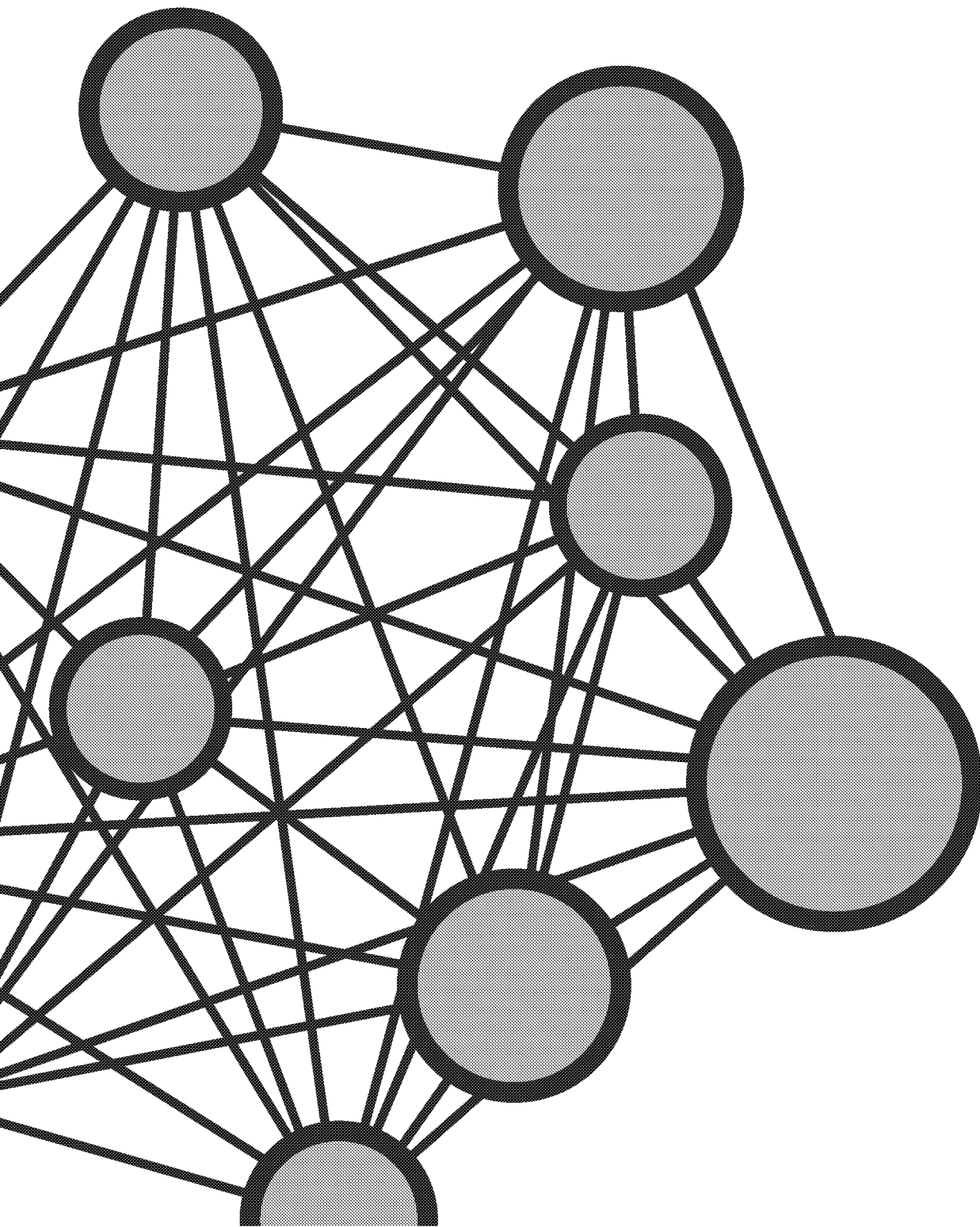
The era of energy digitalization requires policymakers and regulators to embrace a new way of thinking about energy governance. The energy system of the past required intermediation—i.e. establishing regulation and incentives to protect the public interest and to promote specific resources and technologies deemed superior or desirable. The era of energy digitalization, in contrast, requires disintermediation—i.e. removing barriers to facilitate new markets, enable new forms of transactions, and empower consumers.

Today, there are increasing tensions between digital innovations well positioned to deliver what consumers want and policy that creates barriers to their adoption. Electricity markets that could enable consumer choice and participation of electric vehicles and energy storage are often stymied by outdated approaches to governance. Federal mandates for fuels and vehicles have sometimes not effectively achieved their goals. And the need for transportation infrastructure investment dwarfs the funding available through existing taxes and budgets. Specifically, statutes such as Corporate Average Fuel Economy Standards (CAFE); the Renewable Fuel Standard (RFS); the Federal Power Act; approaches to highway and infrastructure finance; and state and local regulation of auto dealers and taxicabs are increasingly not aligned with emerging digital innovations.

EC-MAP is challenging stakeholders to consider a different future—one where digital innovations enable consumers to express preferences that drive markets—and where policy plays a more limited and nuanced role. This future does not require significant new R&D, and it is not one that is decades away. This future is already emerging, and policy change will need to accelerate to keep up.

EC-MAP and our partners believe the era of energy digitalization is inevitable; the only question is whether government will accelerate or impede its benefits. EC-MAP plans to work with incumbent stakeholders, new stakeholders, policymakers—and you—to build a roadmap to align policy with a digital energy future.

# I. OUR CHANGING ENERGY SYSTEM



## TECHNOLOGY DRIVES CHANGE

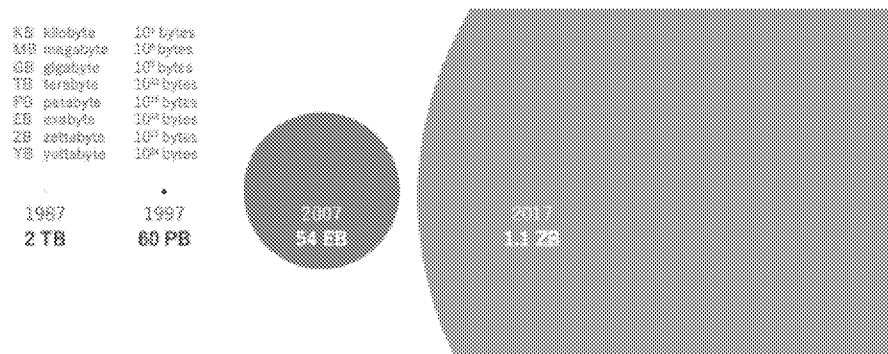
Throughout history, the energy system has gone through several revolutions driven by technology and innovation. Before the Industrial Revolution, agriculture was central to energy, with wood used for heat and horses for transportation. In the 19th Century, the invention and development of modern drilling techniques, the use of kerosene for lighting, and finally the development of the internal combustion engine, all helped unleash an era dominated by fossil fuels. Although the 1973 oil embargo ushered in a new focus on domestic energy production and resource diversity, including investment in renewable fuels and more efficient vehicles, oil has remained dominant in the transportation sector. However, the rise of the internet, which has democratized access to information and enabled new ways to communicate, is poised to once again transform how consumers interact with fuels, vehicles, and transportation infrastructure.

Today three significant trends are driving change in the energy and transportation systems: decentralization, connectivity, and automation.

- **Decentralization.** Economies of scale for clean energy generation are rapidly transforming the grid. Renewable generation technologies (in particular solar PV) are increasingly economic both at large utility scale and at smaller scales appropriate to buildings and vehicles. This is driving opportunities for unprecedented convergence between the electric grid and transportation infrastructure.
- **Connectivity.** Access to the internet, broadband, and mobile devices has grown dramatically. Global internet traffic continues to increase exponentially (see Figure 1), and in the U.S., smartphone adoption has surpassed 80 percent.<sup>1</sup> A car is increasingly more like an iPhone than a Model T, with integrated technology and connectivity that is often overtaken by more advanced features within a few years. In response, consumers are demanding more flexible financing and ownership options; the volume of car leases grew from 1.4 million vehicles in 2009 to 4.3 million vehicles in 2016,<sup>2</sup> and new business models such as car subscriptions are already emerging.<sup>3</sup>
- **Automation.** Advances in computing, machine learning, and artificial intelligence (AI) have enabled significantly increased automation embedded within vehicles and infrastructure. Currently, every major automaker is pursuing some kind of self-driving technology, and most believe a future with autonomous vehicles is no longer a matter of if, but when. One study by Intel and research firm Strategy Analytics projected that in the U.S. alone, autonomous cars could be a \$2 trillion industry by 2050.<sup>4</sup> McKinsey & Company has predicted that storing, organizing, and analyzing data from cars will be a \$750 million market by 2030.<sup>5</sup>

Together these trends are driving change from the bottom-up, with consumers playing a much more significant role in meeting their energy and transportation needs and driving goals around cost, sustainability, and efficiency.

**Figure 1**  
Growth in Global Internet Traffic



Source: International Energy Agency

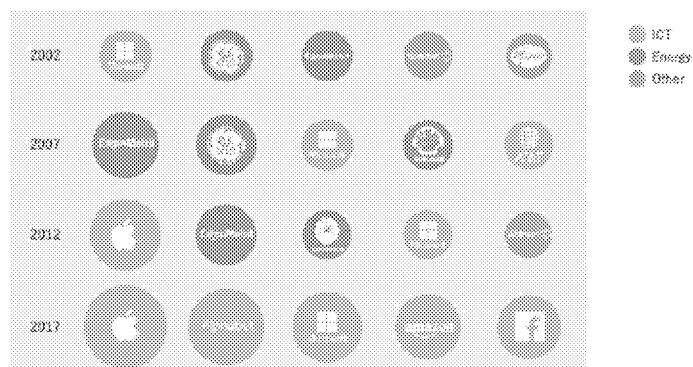
## THE ACCELERATING PACE OF DIGITALIZATION

Information and communications technologies are increasingly dominant in the economy as a whole.

Information and communications technologies are increasingly dominant in the economy as a whole. As recently as the early 2000s, the world's largest companies represented a diversity of industries; however today, all are companies focused on information and communications technology (see Figure 2).

Information and communications technologies are intersecting with the transportation system in a variety of ways, including through data-collecting sensors; advanced analytics; communications systems that enable remote control; infrastructure that connects vehicles and the electric grid; and other intelligent transportation systems designed to lower costs and improve safety, operational efficiency, and customer service.<sup>6</sup> Although the intersection of information technology and energy is far from new, the pace of adoption is accelerating dramatically. The market for intelligent transportation systems in the U.S. nearly doubled between 2012 and 2017 and is on pace to more than triple by 2022 (see Figure 3).<sup>7</sup> Overall, investment in digital technologies by energy companies grew by more than 20 percent between 2014 and 2016 (see Figure 4). Accelerated adoption of smart, two-way communications technologies is also already driving increased engagement by utilities and similar organizations around the appropriate and necessary allocation of broadband spectrum to accommodate them.<sup>8</sup>

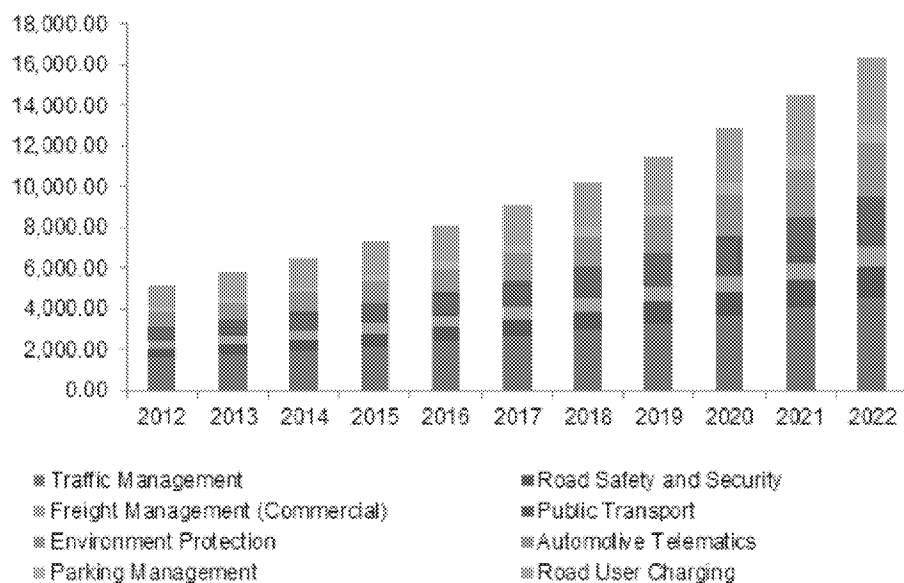
**Figure 2**  
Largest Companies by Market Capitalization



Source: International Energy Agency

**Figure 3**

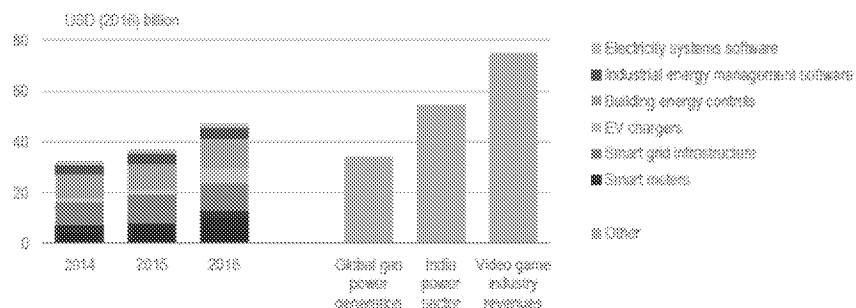
U.S. Intelligent Transportation System Market by Application, 2012-2022  
(USD Million)



Source: Global Market Insights

**Figure 4**

Recent Growth Trends in Digital Energy Infrastructure Investment



Source: International Energy Agency

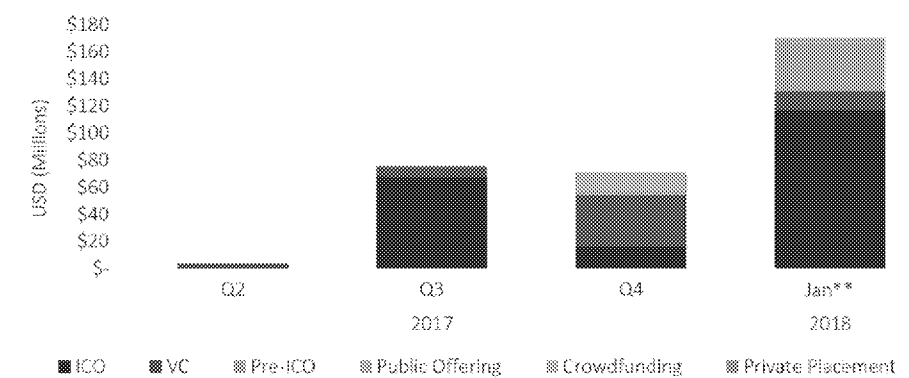
Unlike many innovations of past decades, emerging digital innovations are not technologies that serve a single purpose. Rather, most are crosscutting digital tools and platforms that can be applied to the energy system in myriad ways. They include:

- Artificial intelligence and machine learning that enable increased automation;
- Blockchain technologies that enable secure, decentralized, peer-to-peer transactions;
- Crowdsourcing platforms that enable creative finance mechanisms and expose consumer preferences;
- The internet of things, which connects smart appliances, electronics, mobile devices, and sensors and enables them to communicate across a network; and
- Software and systems that enable new business models for energy services.

These digital tools and platforms create new data streams that have significant potential to enhance measurement, reporting, and verification (MRV) related to carbon and other emissions reporting, sustainability attributes of alternative fuels, and renewable energy and distributed energy resources transactions. Digital MRV can improve the speed and accuracy of reporting, lower reporting and verification costs, and increase scalability and security of MRV systems.<sup>9</sup> It can also enable new approaches to policy design, more effective enforcement of regulations, and better oversight of policy effectiveness.

Investment in these areas is growing rapidly. Investment in blockchain by energy organizations, for example, has gone from nearly nonexistent a year ago to approximately \$170 million in January 2018 (see Figure 5).

**Figure 5**  
Investments in Blockchain by Energy Organizations



Source: GTM Research



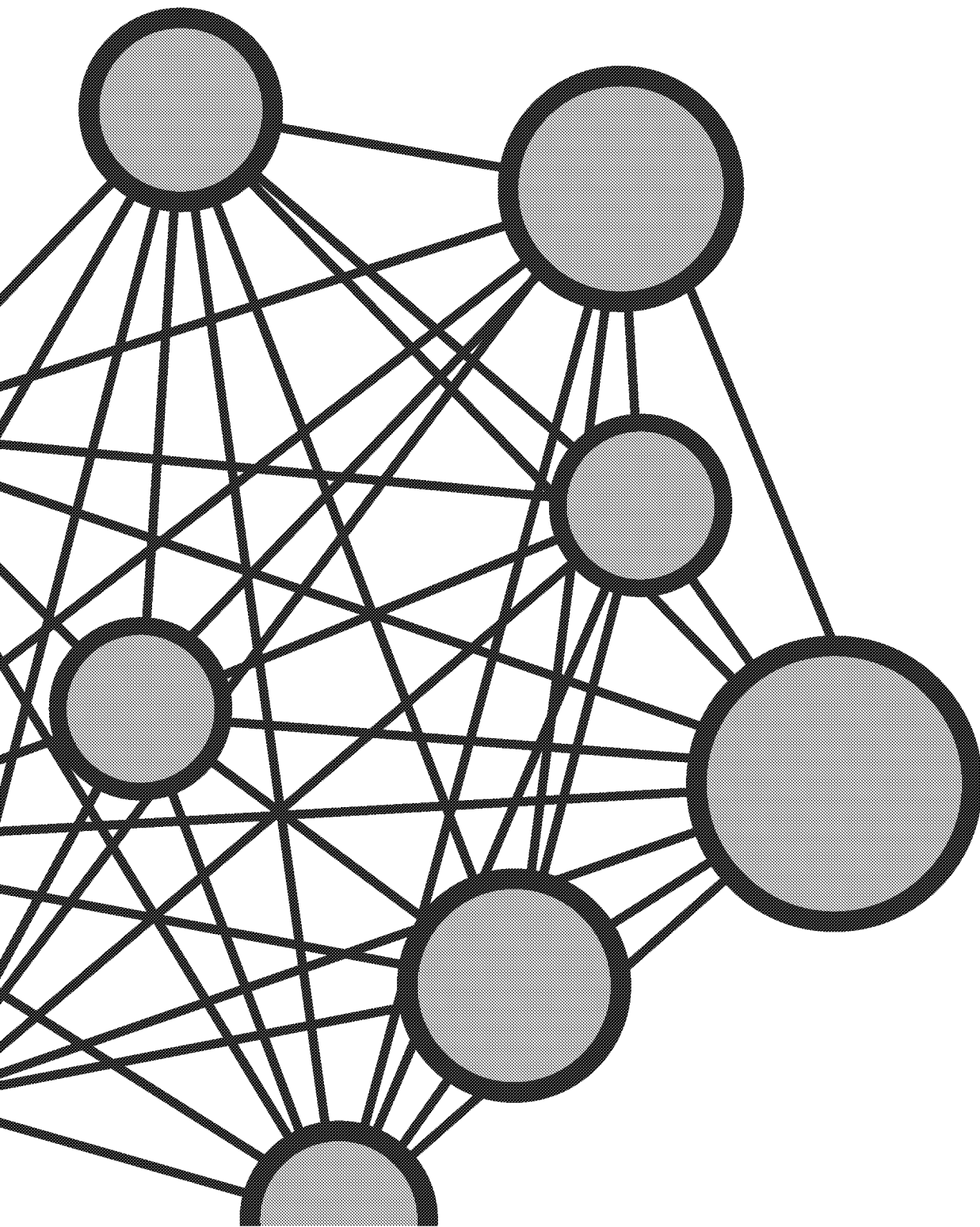
## A NEW ROLE FOR GOVERNMENT

Government plays a fundamental role in the energy system. However, as an institution, government is not designed to move quickly. The era of energy digitalization requires policymakers and regulators to embrace a new way of thinking about energy governance. Historically, government intervention was designed around the concept of intermediation—i.e. establishing regulation and incentives to protect the public interest and to promote specific resources and technologies deemed superior or desirable by policymakers. The era of energy digitalization, in contrast, requires intervention designed around the concept of disintermediation—i.e. removing barriers to facilitate new markets, enable new forms of transactions, and empower consumers.

The era of energy digitalization does not require that all policy and regulation be abolished; but neither should policymakers reflexively assume that existing policy and regulatory architectures are still relevant or necessary. If government is to remain relevant, policymakers and regulators must align energy policy to enable markets that are designed to accelerate innovations and optimize benefits to consumers. Section II reviews how existing policy and regulation create barriers in our changing energy system; Sections III and IV outline a framework for developing new policy approaches that are better aligned with the era of energy digitalization. EC-MAP and our partners believe the era of energy digitalization is inevitable; the only question is whether government will accelerate or impede its benefits.

The era of energy digitalization requires policymakers and regulators to embrace a new way of thinking about energy governance.

## II. HOW EXISTING POLICY AND REGULATION CREATE BARRIERS TO CHANGE



No policy or regulation is perfect; most energy and transportation policies were initiated with good intentions—to spur economic growth, boost national security, keep consumers safe, and protect the environment. However, too often as the energy and transportation systems evolve, policy remains stagnant. In today's world of accelerating change, policy and regulation based on old ways of thinking have the potential to—intentionally or unintentionally—block the very innovations necessary to achieve policy goals.

Already, much of today's policy architecture is no longer aligned with the realities of the energy and transportation systems. Some policies designed decades ago have been extended over and over again as a matter of course without conscious reassessment of fundamental goals and impact; others have not been altered significantly in that same timeframe. Incumbent stakeholders naturally seek to protect the status quo (in which they have often invested significant resources) while blocking changes that would disrupt their interests or incentivize alternative solutions.

Below are four current issues that illustrate tensions between status quo policy approaches and a future where digital innovations enable markets to respond directly to consumers and enable consumers to express preferences that drive markets. At the end of Section II, Table 1 inventories a broader selection of existing policy and regulatory architectures and how they create barriers to emerging innovation, market efficiency, and consumer choice.

Much of today's policy architecture is no longer aligned with the realities of the energy and transportation systems.

## A GROWING GAS TAX GAP

The first Federal gasoline tax was instituted in 1932; it was made permanent in 1941. In 1956, the gas tax became tied to a new Highway Trust Fund that would ensure gas tax revenues were used to fund the interstate highway system and other highway projects. The tax was increased again in 1961, 1982, and 1990; it was last increased 25 years ago, to 18.4 cents per gallon in 1993.<sup>10</sup>

Since that time, the value of the gas tax has eroded dramatically. Inflation alone has reduced its purchasing power by 40 percent.<sup>11</sup> Increased fuel efficiency combined with greater numbers of hybrid and electric vehicles—which use much less or no gasoline but still use road infrastructure—are further reducing its effectiveness. The results have been dramatic. According to the 2017 American Society of Civil Engineers infrastructure report card, one out of every five miles of highway pavement is in poor condition and the maintenance backlog due to chronic underfunding totals more than \$800 billion.<sup>12</sup> In cities with the worst roads, individual drivers are estimated to incur between \$500 and \$1,000 in additional maintenance and fuel costs annually.<sup>13</sup>

In recent years, Congress has kept the Highway Trust Fund from insolvency by appropriating supplemental funding. However, no consensus has yet emerged around a longer-term fix. Industry groups and lawmakers have proposed solutions such as indexing the gas tax to inflation and considering other types of user fees. States are considering a variety of fixes around the margins of the problem: raising state gasoline taxes; seeking private sources of financing; instituting new toll roads; enacting fees on alternative

fuel vehicles; and exploring user charges based on miles driven rather than gasoline consumed. However, capturing the benefits from the growing shift toward digitalization requires a more fundamental reckoning.

*How can policymakers consider approaches to financing infrastructure that accommodate a variety of vehicles, fuels, and technologies in different regions of the country, rather than a single type for all?*

## THE CAFE GAME

Corporate Average Fuel Economy (CAFE) standards were originally enacted in 1975 in response to the 1973 oil embargo and reflected a desire to reduce energy consumption and bolster U.S. independence from foreign oil.<sup>14,15</sup> Authority over CAFE is shared by two Federal agencies, the National Highway Traffic Safety Administration (NHTSA), which sets and enforces standards and the Environmental Protection Agency (EPA), which calculates fuel efficiency and regulates compliance with related greenhouse gas emissions standards. In 1990, California instituted a separate Zero Emission Vehicle (ZEV) program intended to incentivize the deployment of vehicles with zero or near-zero emissions. The ZEV standard has since been adopted by thirteen additional states.<sup>16</sup> Updates to CAFE in 2012 were intended to harmonize standards and create “One National Program” across NHTSA, EPA, and California; however, automakers have challenged that the rules remain inconsistent, raising the cost and complexity of compliance.<sup>17</sup>

Policymakers, automakers, environmental groups, and consumer advocates have battled over the structure and details of CAFE.

Over the last several decades, policymakers, automakers, environmental groups, and consumer advocates have battled over the structure and details of CAFE. Most recently, the Trump Administration has indicated its intention to freeze standards beginning in 2020 and potentially revoke a waiver that allows California to set higher emissions standards than the Federal government. The moves are not necessarily supported by the auto industry and are likely to be challenged in the courts.<sup>18</sup> The result is continued uncertainty for a regulation that already is dizzyingly complex and fails to optimize benefits for consumers.

Auto manufacturers have naturally sought to minimize the cost and impact of compliance with standards; in many cases they have done so by exploiting the complexity of CAFE without necessarily embracing new innovations. Differences between how passenger cars and light trucks are treated under the rules has led to reclassification of cars built on truck platforms (including the “invention” of sport utility vehicles)<sup>19</sup> and sizing of vehicle footprints to game fuel efficiency requirements.<sup>20</sup> Perhaps most egregiously, the flex-fuel vehicle loophole allowed manufacturers for many years to get (and bank) credits for producing vehicles that could run on E85 fuel; the rule was based on market assumptions that 50 percent of vehicles would actually use the fuel (despite the fact it was only sold at 2 percent of gas stations)<sup>21</sup> and environmental assumptions that E85 had zero emissions (despite the fact that ethanol has been shown to have an emissions profile only marginally less carbon-intensive than gasoline).<sup>22</sup> Banking and trading of credits (including Federal CAFE credits and state ZEV credits) have also enabled Tesla to make more money selling credits (\$622 million, between 2011 and 2015) than selling cars.<sup>23</sup>

Some benefits of CAFE have been eroded by a variety of unintended consequences. One is the “rebound effect,” whereby drivers of more fuel-efficient cars take advantage of lower costs by driving approximately 10 percent more miles.<sup>24</sup> One analysis has estimated that CAFE (in spite of gaming to meet its requirements) has added at least \$3,800 to the price of a new car. This in turn has resulted in people keeping or seeking lower-priced (and relatively less fuel efficient) used cars and for longer periods of time, and the phenomenon is estimated to reduce emissions benefits by 15 percent.<sup>26</sup> EPA calculations have also been criticized as relying on indoor tests that do not accurately model real-world driving, resulting in, for example, a 54.5 mpg projection that results in only 37 to 40 mpg in the real world.<sup>27</sup> Overall, researchers have estimated that costs associated with CAFE are more than 8X higher than the environmental benefits.<sup>28</sup>

*Real-world consumers use vehicles in different ways depending on where they live, what they do for work, the needs of family members, and how they enjoy spending leisure time. In an era where data can drive more informed consumer choice, is CAFE still relevant? How can policymakers better align national policy goals with mechanisms that enable price signals and empower consumers to demand vehicles that best suit their individual needs?*

Overall, researchers have estimated that costs associated with CAFE are more than 8X higher than the environmental benefits.

## ADVANCED BIOFUELS: A FAILED EXPERIMENT?

The Renewable Fuels Standard (RFS), originally enacted in 2005 and updated in 2007, requires transportation fuels to be blended with renewable fuels. The law set the requirement at 4 billion gallons of renewable fuels in 2006, rising to 36 billion gallons in 2022. Within the overall obligation are specific requirements for conventional biofuels (generally corn ethanol) and advanced and cellulosic biofuels (including cellulosic ethanol and advanced drop-in fuels from various feedstocks). Conventional biofuels have consistently met the annual requirement; however, advanced and cellulosic biofuels have remained nearly nonexistent. According to the Congressional Research Service, “[g]oing forward, it is unlikely that the United States will meet the total renewable fuel target as outlined in statute.”<sup>29</sup>

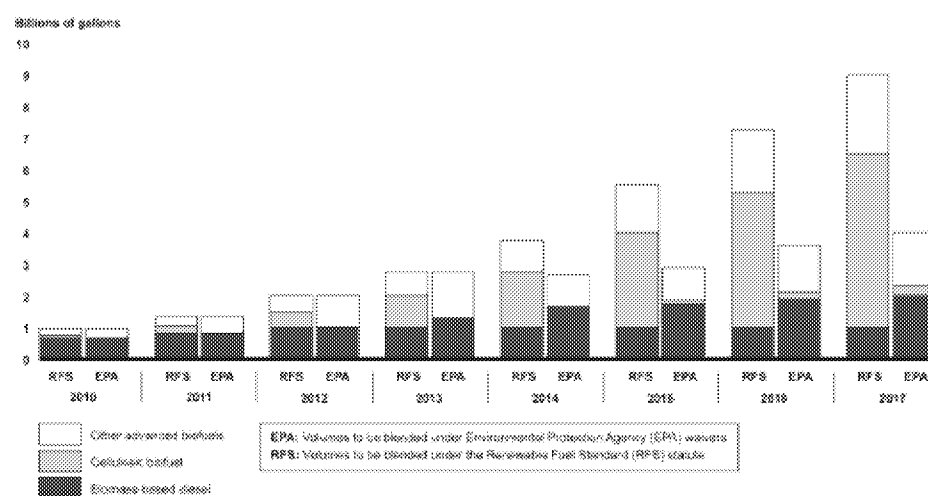
In the mid-to-late 2000s, an advanced biofuels “bubble” emerged, with entrepreneurs, VCs, and the media alike making huge predictions about gallons and dollars associated with biofuels from algae and other non-food, cellulosic feedstocks.<sup>30</sup> However, these aspirations have never become a reality. In 2015, the RFS target for cellulosic biofuels was 3 billion gallons; that year, 142 million gallons of cellulosic biofuels were produced—2 million gallons of cellulosic ethanol and 140 million gallons of renewable natural gas—representing less than 5 percent of the statutory target.<sup>31</sup> This trend has continued in subsequent years as EPA has issued waivers that seek to align the requirements with actual gallons projected to be produced (see Figure 6). As a result, in 2017 the Government Accountability Office (GAO) concluded there is limited potential for expanded production of cellulosic ethanol over the next five years.<sup>32</sup> Many advanced biofuels companies that still exist have shifted their business models toward niche but high value markets such as bio-based chemicals and cosmetics. Still, policy debates rage each year over whether EPA should ratchet down the statutory requirements to realistic levels and whether biofuels tax credits (most currently expired) should be extended another year.<sup>33</sup>

Further, while flex-fuel vehicle models have proliferated (thanks in large part to preferential treatment under CAFE, see above), other infrastructure necessary to deploy biofuels, in particular ethanol, has also failed to materialize. Many environmental groups, automakers, and utilities seem to instead be doubling down on transportation electrification as a preferred solution, at least for passenger cars. At the same time, some lawmakers and fuels industry groups have suggested shifting to a “high octane fuel standard” that would marry the intentions of the RFS and CAFE.<sup>54</sup> While biofuels maintain valuable potential in some regions and for some applications, the blunt instrument of a national renewable fuels standard has not been successful in helping realize it.

*How can policymakers leverage digital tools to better enable consumers and markets to drive winners amongst alternative fuels, instead of continuing to debate inflexible and unrealistic mandates?*

**Figure 6**

Volumes of Advanced Biofuels to Be Blended into Domestic Transportation Fuel



Source: Government Accountability Office

## WHEN GRID MODERNIZATION MEETS MOBILITY

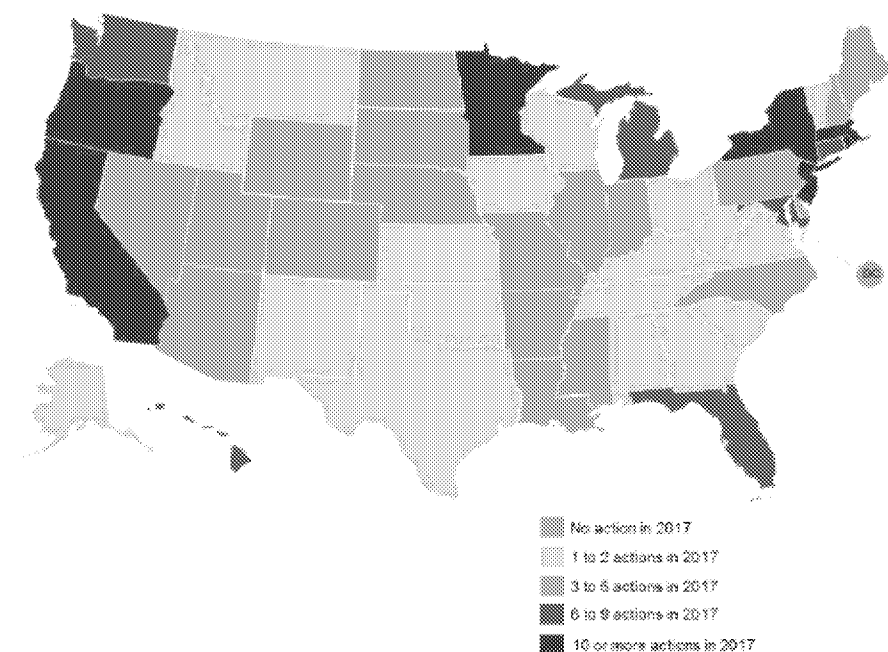
Historically, the transportation sector has operated largely independent of the power sector.<sup>55</sup> The Federal Power Act and state electricity regulation has generally not contemplated a future where power generation, delivery, storage, and consumption is more decentralized—in homes, commercial buildings, and vehicles. That has begun to change as the deployment of electric vehicles (EVs) grows.

In 2017, nearly 200,000 plug-in EVs were sold in the U.S., and just over 50 percent were pure EVs. Although this represents only 1.2 percent of all vehicle sales, adoption of EVs is projected to double in 2018 and continue an exponential trajectory in the coming years.<sup>36</sup> EVs have been forecasted to reach 65 percent of new light-duty vehicle sales in the U.S. by 2050.<sup>37</sup> Auto manufacturers, moreover, are driving rather than resisting the trend. Volvo announced it would make only hybrid or electric vehicles after 2019,<sup>38</sup> and Volkswagen and BMW have set goals to sell hundreds of thousands of EVs in the next few years.<sup>39,40</sup> Ford has committed to produce six EV models by 2022 (as well as hybrid versions of high performance vehicles like the F150 and Mustang); GM has announced it will eventually make only electric vehicles, with the exact schedule to vary among markets and regions.<sup>41</sup>

Electricity regulators, in turn, have begun to recognize the role of EVs in electricity markets—both as electricity consumers as well as electricity storage assets. In 2017, all but seven states took some policy action related to electric vehicles; more than a dozen states took six or more policy actions (see Figure 7). The most popular actions were related to: fees to supplement or replace the gas tax; EV rebate programs; EV electricity rate tariffs; various studies; and fast charging station deployment.<sup>42</sup> New rules regarding how aggregated distributed energy resources (DERs) can participate in power markets were considered at an April 2018 Federal Energy Regulatory Commission (FERC) technical conference, and follow-on regulatory action is expected in the near future.<sup>43</sup>

*How can policymakers break through the inherent structures that silo electricity and transportation policy and consider how digital innovations and electricity markets can drive benefits to consumers that desire transportation electrification?*

**Figure 7**  
Number of State Actions on Electric Vehicles



Source: North Carolina Clean Energy Technology Center

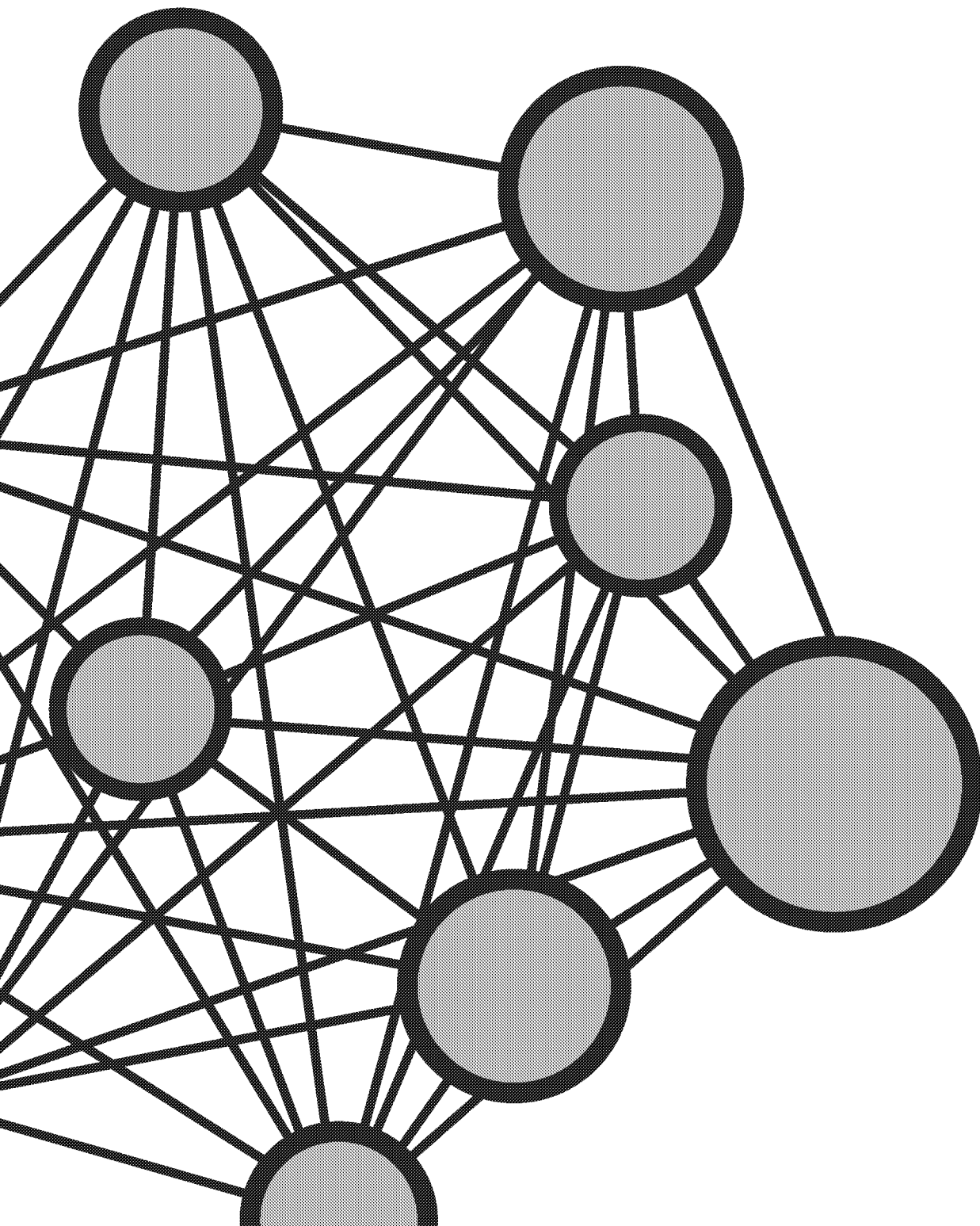
**TABLE 1: POLICY AND REGULATORY ARCHITECTURES NO LONGER ALIGNED WITH A CHANGING ENERGY SYSTEM**

Existing Policy	Historical Overview	Barriers to Emerging Innovations, Market Efficiency, and Consumer Choice
<b>Federal Policy</b>		
<b>Corporate Average Fuel Economy (CAFE)</b>	<ul style="list-style-type: none"> <li>• 1975: Originally enacted for Model Year (MY)1978-85</li> <li>• 1980s through early 2000s: Fuel efficiency requirements remain essentially flat</li> <li>• 2007: Energy Independence and Security Act (EISA) drives new “national” fuel economy/ greenhouse gas emissions standards through MY2020</li> </ul>	<ul style="list-style-type: none"> <li>• Complexity of standards incentivizes gaming by industry rather than innovation around intended goals</li> <li>• Beneficial impact of the standards has been partially reduced by consumer behavior</li> <li>• Fuel economy assumptions and calculations are not transparent to consumers</li> <li>• Standards are not fundamentally aligned with promoting fuel neutrality and technology neutrality in achieving efficiency</li> <li>• Standards sometimes incentivize vehicles contrary to what consumers desire</li> </ul>
<b>Renewable Fuel Standard (RFS)</b>	<ul style="list-style-type: none"> <li>• 2005: Originally established in Energy Policy Act to replace Methyl Tertiary Butyl Ether (MTBE) and promote fuel diversity</li> <li>• 2007: EISA expands volumes and categories of renewable fuels</li> </ul>	<ul style="list-style-type: none"> <li>• Required volumes do not reflect market realities for advanced and cellulosic biofuels</li> <li>• Ethanol blended above 10 percent requires new and different infrastructure to reach wide deployment</li> <li>• Consumers have little access to data regarding fuel attributes</li> </ul>
<b>Highway Trust Fund (HTF)</b>	<ul style="list-style-type: none"> <li>• 1956: Created to leverage gasoline tax revenue exclusively for highway projects</li> <li>• 1991 ISTEA /1998 TEA-21/ 2005 SAFETA-LU/ 2012 MAP21: Reauthorized and expanded diversity of surface transportation programs and projects</li> <li>• 2008: HTF becomes insolvent for the first time; Congress has transferred \$143 billion to fund projects through 2020</li> </ul>	<ul style="list-style-type: none"> <li>• Dependent on a financing source (gasoline tax) tied to a single fuel source (oil)</li> <li>• Reauthorization legislation has not prioritized development and deployment of diverse, flexible infrastructure or enabled broad deployment of existing and emerging intelligent transportation systems</li> </ul>
<b>Federal Power Act</b>	<ul style="list-style-type: none"> <li>• 1920: Originally enacted to regulate development of Federal hydropower</li> <li>• 1935: Established FERC authority over interstate electricity</li> <li>• 1992/2005: Expanded FERC authority over transmission access, reliability, cybersecurity, market manipulation, and interstate transmission siting</li> </ul>	<ul style="list-style-type: none"> <li>• Degrees of restructuring at wholesale and retail levels vary unevenly across regions</li> <li>• There is little to no market incentive for utilities outside of competitive markets to innovate or prioritize customer choice</li> <li>• There are few incentives or requirements for utilities to share electricity data necessary to reveal true value of DERs (including EVs) and emerging digital innovations</li> <li>• Barriers to entry create hurdles to market participation of DERs (including EVs) and third-party energy services providers</li> <li>• Rules and modeling for considering and valuing non-wires alternatives are nascent<sup>44</sup></li> </ul>



Existing Policy	Historical Overview	Barriers to Emerging Innovations, Market Efficiency, and Consumer Choice
		State and Local Policy
<b>State franchise laws</b>	<ul style="list-style-type: none"> <li>• 1950s: States first enacted laws protecting independent franchise auto dealers from competition</li> <li>• 25 states currently prohibit or restrict car manufacturers from selling directly to consumers<sup>45</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Many existing state laws insulate car dealers from competition, stifling innovation and consumer choice<sup>46</sup></li> <li>• Narrow opening of laws have limited benefit a single auto manufacturer and a single alternative business model—Tesla<sup>47</sup></li> </ul>
<b>State retail electricity competition</b>	<ul style="list-style-type: none"> <li>• 1990s/2000s: 13 states and the District of Columbia restructure their retail electricity markets</li> <li>• Currently 15 states have some level of retail electricity competition<sup>48</sup></li> </ul>	<ul style="list-style-type: none"> <li>• There are few incentives or requirements for utilities to share electricity data necessary to reveal true value of DERs (including EVs) and emerging digital innovations</li> <li>• State regulators often do not have access to data and information related to pilot and demonstration of new technologies</li> <li>• The level to which consumers understand and take advantage of competition varies dramatically across states and depends significantly on how the market is structured<sup>49</sup></li> </ul>
<b>City taxicab regulations</b>	<ul style="list-style-type: none"> <li>• 1930s: Concerns about “ruinous competitive” led government to tightly control prices and restrict supply of taxi services<sup>50</sup></li> <li>• A medallion system remains in effect in most major cities today</li> </ul>	<ul style="list-style-type: none"> <li>• Existing regulations do not generally require or incentivize adoption of new innovations by incumbent taxi services</li> <li>• Existing regulations purport to protect consumers, but do not necessarily take into account consumer desires</li> </ul>

# III. A DIGITAL ENERGY FUTURE



A wide variety of stakeholders have already imagined the future of transportation through frameworks and concepts such as smart cities, intelligent transportation systems, and grid modernization. Most of these futures share common attributes; stakeholders generally seek a transportation system that is:

- Affordable and accessible to a wide range of consumers, with more choices in fueling;
- Clean and sustainable, minimizing impacts to the environment and health;
- Convenient and efficient, minimizing congestion and unexpected delays;
- Safe and reliable, protecting passengers from physical harm and financial stress; and
- Secure from growing physical and cybersecurity threats.

Digital innovations are positioned to enable and accelerate these attributes in transformational ways. Artificial intelligence and machine learning has already been integrated into vehicles and are poised in the coming years to enable cars and trucks to be completely autonomous. Blockchain technologies can enable consumers to buy and sell electricity, energy storage, fuels, and mobility services based on preferred attributes. Crowdsourcing platforms can unleash new sources of investment and accelerate deployment of both physical and digital infrastructure. The internet of things can help optimize transportation efficiency and cost effectiveness of both vehicles and smart infrastructure. And software and systems can enable new business models for mobility services that deliver consumer benefits at lower costs. Adoption of these digital tools and platforms remains nascent; however, most do not require additional R&D. Rather, they require policy, regulation, market design, and tools that can enable stakeholders to understand and capture their value.

To help stakeholders imagine a world driven by digital innovations, we have developed five hypothetical scenarios from a not too distant future. These snapshots are optimistic, but based in reality. Below each hypothetical scenario is a description of an actual pilot project operating today. Each of these projects is already leveraging one or more digital tools and platforms to move the energy and transportation systems toward the era of energy digitalization. However, barriers highlighted in Table 2 create hurdles to broader adoption, and a combination of legislative action and agency engagement (by EPA, NHTSA, and FERC, among other Federal agencies) as well as RTOs/ISOs and state regulators will be necessary to scale to a digital energy future.

## A VEHICLE-CENTRIC GRID

*With EVs reaching 20-25 percent penetration in most metropolitan areas and autonomous transit and delivery fleets becoming ubiquitous, the traditional “virtual power plant” is shifting toward a “vehicle power plant.” EVs with solar embedded in carbon fiber bodies charge batteries with power that can be sold back to the grid when they are idle; many office buildings are powered by a mix of vehicles, some still owned by commuters but many shared and available to office tenants for meetings across town or even multi-day trips. Fleet and transit centers have become enormous electricity hubs, powering their own operations and selling excess power to their neighbors—often high tech manufacturing on the outskirts of urban cores. The system works because of intelligent software that automatically coordinates and optimizes hundreds or thousands of distributed “assets” across the system. Back in 2024 and 2025, a few forward-thinking utilities got a head start by funding pilot projects and gathering data on the most lucrative models; several are now expanding outside of their traditional service territories (now allowed by regulators in most states) to compete for new customers. However, they will also be competing with mobility service providers (previously known as traditional auto manufacturers) that are also designing schemes to generate, store, and deliver electricity through EVs. In 2030, the power business has truly gone mobile.*

---

In 2017, software company Nuvve partnered with UC San Diego, San Diego Gas and Electric, and major automotive industry players Nissan, Mitsubishi, and Hitachi to deploy a virtual power plant made up of electric vehicles. The project involves installation of bi-directional vehicle-to-grid (V2G) charging systems on the university campus, which already operates a microgrid.<sup>51</sup> The project is intended to demonstrate that the technology can give utilities the ability to draw on EV batteries to meet energy demands, help grid operators maintain stability, and enable EV owners to get paid for energy storage and backup power.

## ZERO CONGESTION ZONES

—“What’s on the list of best places to live this year?”

—“You know, the usual—Atlanta, Dallas, Los Angeles, Chicago, New York.”

*A decade ago, none of these places were likely to make such a list, for a single reason: traffic. However, following several successful pilots and fundamental changes to infrastructure finance at the Federal and state levels, major metropolitan areas across the country began deploying intelligent transportation systems that allow vehicles to communicate with transportation infrastructure and optimize routes, speed, and timing while maintaining convenience and safety. The systems use blockchain to enable instantaneous and secure validation of data transmitted across the network of distributed nodes. New cars are required to have the necessary communications devices installed, but retrofitting older cars is easy. A small plug-and-play, aftermarket device retailing for \$9.99 can enable any car to communicate with thousands of sensors and devices deployed in most major cities. Just as important was a database launched in 2022 through a partnership between the National League of Cities and Intelligent*

*Transportation Society of America. The database consolidated pilot project data and created a matchmaking service for cities seeking financing and financiers seeking low-risk, smart transportation investments. Once thought to be constrained by their infrastructure, today's big cities are increasingly earning the designation of "Zero Congestion Zones."*

In 2017, the Florida Department of Transportation and Tampa-Hillsborough Expressway Authority began deployment of technology to enable vehicle-to-vehicle (V2V) and vehicle-to-infrastructure (V2I) communication between 1,600 vehicles (including cars, buses, and streetcars) and infrastructure in more than 40 locations in downtown Tampa.<sup>52</sup> The pilot has been designed to test six use cases for the technologies: morning back-ups, wrong-way entry, pedestrian safety, transit signal priority, streetcar conflicts, and traffic flow optimization.<sup>53</sup> Policymakers expect the project to improve safety, mobility, and environmental impacts from traffic; evaluation of its results began in spring 2018.

## EMBRACING BOUTIQUE FUELS

*"I remember decades ago when 'boutique fuels' was an ugly word," a fueling station owner recently told Congress. "Now my business is thriving because of them." What an earlier generation once called "gas stations" are now increasingly known as "energy stations" where consumers can power up their vehicles with a variety of fuels including gasoline, bio-based gasoline (chemically indistinguishable from conventional gasoline except through carbon dating), various ethanol blends, compressed natural gas, hydrogen (produced from renewable energy), and of course, electricity. Most energy stations don't have every option, but many have at least two or three. Regional preferences play a big role—in California, EV chargers dominate; in Illinois, locally-produced E85 and E85 are most popular; and CNG has taken a large share of the market in Texas and Oklahoma (still the country's biggest hubs for oil and gas production—not to mention a lot of large pickup trucks that use CNG) and also in New York, where piloting CNG and LNG for transit fleets and heavy trucks translated into insights into how it could benefit the consumer market.*

*At first, people worried about whether they would be able to find the right fuel on long road trips; but in 2025 the Department of Transportation partnered with major tech firms to map every fuel station nationwide. A free app—EveryFuelStation—provides real-time, crowdsourced pricing information as well as sustainability attributes for different fuels. It has become the go-to resource for anyone who still owns a car and drives. But much more revolutionary has been the decentralization of fueling. According to a recent Gallup poll, 1 in 5 Americans did not visit an energy station in the last month—primarily because they could fuel up at home or work. EV chargers and CNG "stations" are becoming more popular in downtown parking garages and in home garages alike, where existing infrastructure is easy to expand. In its latest move to expand into new sectors, Amazon just announced a new service for rural areas where a month's supply of E85 can be delivered to your doorstep by autonomous delivery truck; the move is expected to boost the market for used flex-fuel vehicles, which were often previously run only on gasoline because E85 was inaccessible. Today it's truly a brave new boutique world.*

In 2017, French oil company Total was an early leader in announcing it would add EV charging stations at its network of gasoline stations across France, with an initial 300 stations at locations about 100 miles apart.<sup>54</sup> The news was followed just months later by an announcement by Royal Dutch Shell that it would acquire a major European EV charging company and begin transitioning gas stations to “energy stations.”<sup>55</sup> In recent years, Shell has accelerated its efforts to diversify its business; the company has also taken a large stake as an owner/operator of more than 100 U.S.-based solar plants and agreed to provide credit to a California-based smart-home energy management company.<sup>56</sup> In other areas of the country, larger scale natural gas fueling stations continue to open to address the growing fleets of heavy-duty truck drivers needs.<sup>57</sup> A recently released Shell scenario describing a possible future in 2070—one where EVs dominate passenger cars, a new carbon use industry takes off, and hydrogen is a growing fuel source for road transport<sup>58</sup>—demonstrates that this “oil company” is thinking more like an “energy company.”

## THE RISE OF THE ATTRIBUTE

*—“It’s a good lookin’ truck, but what are the STMs?” The man shopping for a new truck subscription was skeptical.*

*—The dealer was relaxed, he had heard this question a thousand times. “Do you have the STM-X app? Scan the bar code on the window and you can see the analytics yourself. If they don’t look good for you, just can plug in what you’d like to optimize and the app will rank which models are better.”*

*The Federal government had always mandated that information about fuel efficiency and safety be made available to consumers, but the data was often presented in ways that were difficult to comprehend or compare across different vehicles and fuels. Some consumers wanted information that just wasn’t available—where the vehicle was manufactured or whether it was optimized for high octane, low-carbon gasoline. That changed when the U.S. Congress overhauled two laws: CAFE and the RFS. Both had grown in complexity over time, creating a patchwork of overlapping requirements that were siloed in ways that no longer reflected the marketplace. Regulators and policymakers argued about whether the regulations were achieving their intended goals; from the data they had, it just wasn’t clear anymore. Neither law had been designed to integrate new streams of data into their MRV systems—data that didn’t exist when the laws were written but now were ubiquitous and easily accessible from any connected mobile device.*

*The result was a new law that created “Sustainable Transportations Metrics” (pronounced “stems”). The Federal government defined five basic stems and established an open source platform for the private sector to propose additional metrics. The government also deployed a blockchain application to ensure all data was verifiable and secure. App developers and other third parties could integrate new proposed metrics into their algorithms and let consumer demand drive their popularity and adoption. Today the most popular STM apps allow consumers to compare the five government-defined metrics (fuel efficiency, carbon emissions, lifecycle cost, safety, and cybersecurity rating) as well as a number of other metrics like local economic impact, sustainability rating of major suppliers, and something called “vehicle happiness” —based on real-time user experience and feedback.*

The Energy Independence and Security Act of 2007 required EPA to study the potential for allowing EVs powered by renewable sources of electricity to qualify under the RFS. In 2014, EPA issued a rule defining a pathway for biogas-derived electricity and requiring that applicants track and verify that the electricity produced was actually being used for transportation. BTR Energy has proposed leveraging vehicle telematics—communications systems already installed in many cars that can transmit data for GPS, make an emergency call, and optimize electric vehicle charging. Under the company's business model, farmers generate biogas from waste, and BTR tracks and verifies the use of that electricity to charge EVs using data generated by the vehicles. The company has awaited a decision from EPA on the proposal since 2015.<sup>59</sup> Although an increasing array of energy data like these are accessible today, EPA has not yet determined how to put them to use for consumers.

## INTELLIGENT LOGISTICS

*"We used to worry robots were coming for our jobs. Now we realize they were exactly what we needed to do our jobs better." That statement started off testimony by the American Trucking Association at a recent Congressional hearing on the costs and benefits of autonomous trucking. Only a few years ago many truckers were resistant to testing the new autonomous trucks on long-haul routes. But the results have been overwhelmingly positive: highway accidents involving heavy duty trucks are down by more than 50 percent; hours lost in traffic congestion are down 70 percent; and new trucking jobs have doubled in the last five years alone. Trucking is now the number one career choice for job seekers without a college degree and, truckers are among workers with the highest job satisfaction. The results are no surprise; truckers no longer have to spend days or weeks on the road away from family and friends or work grueling hours, and wages have remained stable. The adoption of autonomous semis has been driven by online retailers seeking to increase speed of delivery to customers without increasing costs; but the Federal government has also played a role by streamlining regulations for autonomous trucking. Once fading communities are thriving again because of jobs at "truck transfer hubs" off the interstates (where long-haul autonomous trucks hand off loads to human truck drivers and at "remote trucking centers" where autonomous trucks are piloted remotely by workers). Some incumbent trucking companies have consolidated but others are thriving, especially those founded on new business models that use machine learning to optimize logistics and "last mile" routes. The trucking life has never been better.*

Since 2016, Uber has piloted a transfer hub system at weigh stations off of I-40 in Arizona where autonomous trucks (with a driver behind the wheel, for now) transport cargo over highways and then shift their trailer to human-driven trucks to navigate the final portion of the trip over more complex local roads.<sup>60</sup> The project is built on a foundation of logistics data collected through Uber Freight, a system, like the company's ridesharing app that connects truckers with cargo. Uber's ultimate goal is not just to show off self-driving trucks; they envision a future where every truck is moving cargo and making money, seamlessly and efficiently, 24/7.<sup>61</sup>

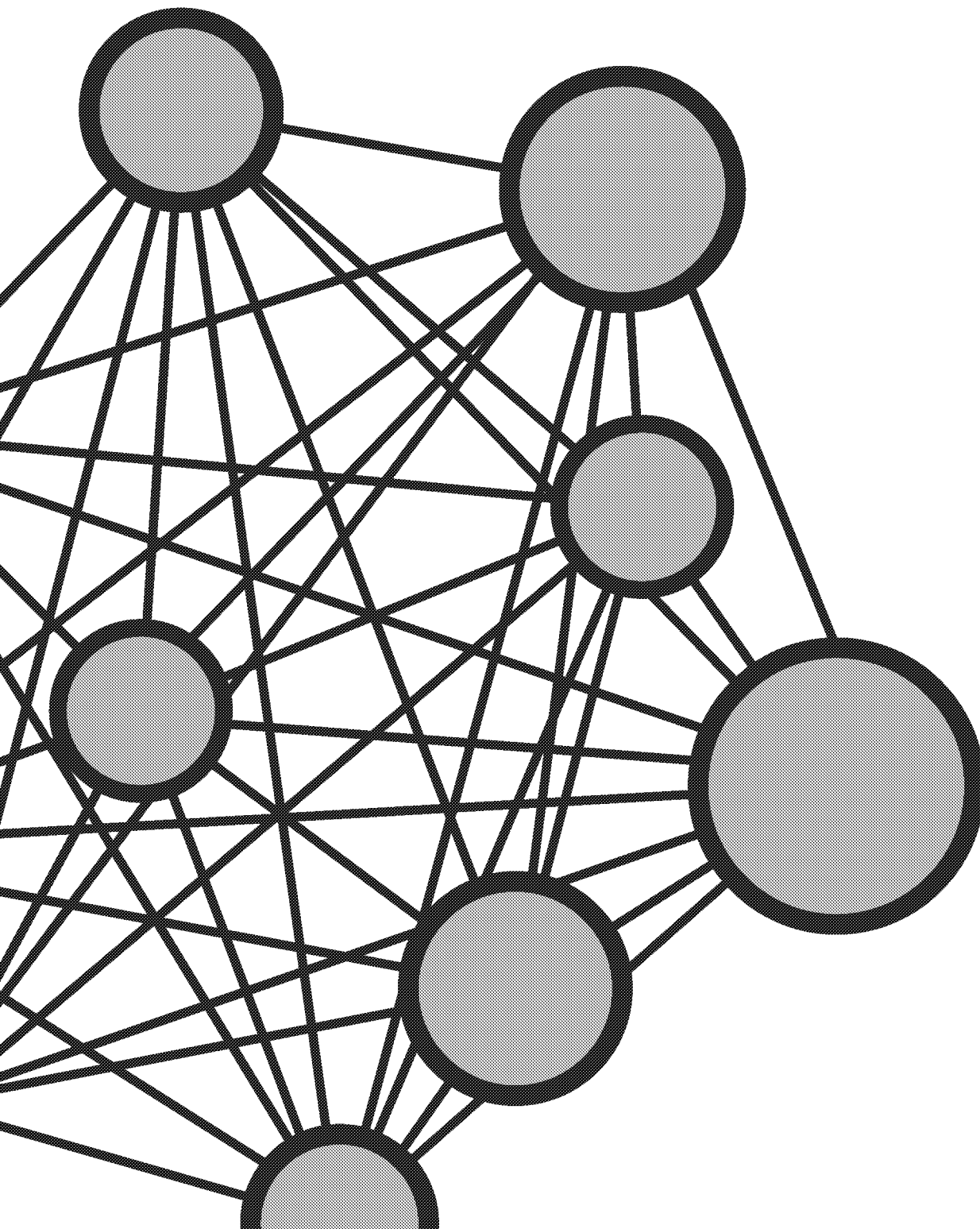
TABLE 2: POTENTIAL BARRIERS TO A DIGITAL FUTURE

Future Scenario	Policy/ Regulation	Potential Barriers to This Future
<b>"A Vehicle-Centric Grid"</b>	Federal Power Act	<ul style="list-style-type: none"> <li>• There are few incentives or requirements for utilities to share electricity data necessary to reveal true value of DERs and emerging digital innovations</li> <li>• Barriers to entry create hurdles to market participation of DERs and third-party energy services providers</li> </ul>
	CAFE	<ul style="list-style-type: none"> <li>• Complexity of standards incentivizes gaming by industry rather than innovation around intended goals</li> <li>• Standards are not fundamentally aligned with promoting fuel neutrality and technology neutrality in achieving efficiency</li> </ul>
	Highway Trust Fund	<ul style="list-style-type: none"> <li>• Reauthorization legislation has not prioritized development and deployment of diverse, flexible infrastructure or enabled broad deployment of existing and emerging intelligent transportation systems</li> </ul>
	State retail electricity competition	<ul style="list-style-type: none"> <li>• There are few incentives or requirements for utilities to share electricity data necessary to reveal true value of DERs (including EVs) and emerging digital innovations</li> <li>• State regulators often do not have access to data and information related to pilot and demonstration of new technologies</li> </ul>
<b>"Zero Congestion Zones"</b>	Highway Trust Fund	<ul style="list-style-type: none"> <li>• Dependent on a financing source (gasoline tax) tied to a single fuel source (oil)</li> <li>• Reauthorization legislation has not prioritized development and deployment of diverse, flexible infrastructure or enabled broad deployment of existing and emerging intelligent transportation systems</li> </ul>
	City taxicab regulations	<ul style="list-style-type: none"> <li>• Existing regulations do not generally require or incentivize adoption of new innovations by incumbent taxi services</li> </ul>
<b>"Embracing Boutique Fuels"</b>	RFS	<ul style="list-style-type: none"> <li>• Ethanol blended above 10 percent requires new and different infrastructure to reach wide deployment</li> <li>• Consumers have little access to data regarding fuel attributes</li> </ul>
	CAFE	<ul style="list-style-type: none"> <li>• Standards are not fundamentally aligned with promoting fuel neutrality and technology neutrality in achieving efficiency</li> </ul>
	Highway Trust Fund	<ul style="list-style-type: none"> <li>• Reauthorization legislation has not prioritized development and deployment of diverse, flexible infrastructure or enabled broad deployment of existing and emerging intelligent transportation systems</li> </ul>



Future Scenario	Policy/ Regulation	Potential Barriers to This Future
<b>"The Rise of the Attribute"</b>	CAFE	<ul style="list-style-type: none"> <li>Fuel economy assumptions and calculations are not transparent to consumers</li> <li>Standards are not fundamentally aligned with promoting fuel neutrality and technology neutrality in achieving efficiency</li> </ul>
	Federal Power Act	<ul style="list-style-type: none"> <li>There are few incentives or requirements for utilities to share electricity data necessary to reveal true value of DERs (including EVs) and emerging digital innovations</li> </ul>
	RFS	<ul style="list-style-type: none"> <li>Consumers have little access to data regarding fuel attributes</li> </ul>
	State franchise laws	<ul style="list-style-type: none"> <li>Many existing state laws insulate car dealers from competition, stifling innovation and consumer choice</li> </ul>
	State retail electricity competition	<ul style="list-style-type: none"> <li>There are few incentives or requirements for utilities to share electricity data necessary to reveal true value of DERs (including EVs) and emerging digital innovations</li> </ul>
<b>"Intelligent Logistics"</b>	Highway Trust Fund	<ul style="list-style-type: none"> <li>Dependent on a financing source (gasoline tax) tied to a single fuel source (oil)</li> <li>Reauthorization legislation has not prioritized development and deployment of diverse, flexible infrastructure or enabled broad deployment of existing and emerging intelligent transportation systems</li> </ul>

## IV. HOW DO WE GET THERE



Many organizations are already working to identify and advocate for policy and regulation to enable a future similar to the one imagined here, but efforts are often polarized by debates over climate change and siloed by proponents of different solutions such as transportation electrification, alternative fuels, and emerging issues related to autonomous vehicles and cybersecurity.

EC-MAP and our partners are focused on accelerating these efforts in three ways: 1) by taking a broader view of energy and transportation policy across fuels and vehicle types; 2) by building support among a wider diversity of policymakers from different geographies and political parties; and 3) by developing a roadmap to align policy with a digital energy future—a future where government empowers consumers, supports free and fair markets, and enables innovation.

In the coming months, we plan to engage stakeholders around questions we believe are critical to building the policy and regulatory architectures necessary to unlock the digital technologies, tools, and platforms described here. Some of these questions will be uncomfortable to ask and complicated to answer; but to ignore them will only slow our progress toward a more affordable, clean, efficient, reliable, and resilient future. It is critical to ask questions in at least three areas:

1. How existing policy designed decades ago for a different kind of transportation system creates barriers to innovation, such as:
  - Is CAFE relevant for driving efficiency, value, and choice to consumers? Is there a better approach that would sidestep tensions between the Federal government and states, companies and consumers?
  - Should the RFS be allowed to expire? Are there market mechanisms (enabled by blockchain and other digital technologies) that could better enable clean, domestically produced fuels with the attributes consumers demand?
  - Can wholesale and retail electricity markets leverage the participation of emerging electric vehicle technologies, applications, and services to accelerate emissions reductions better than command and control regulation?
2. How new policy can be designed with the flexibility to enable adoption of emerging technologies today and technologies not yet imagined in the years to come, such as:
  - How can policymakers and the private sector leverage markets, innovation, and consumers to make digital transportation systems resilient to cybersecurity threats?
  - How can policymakers increase access to transparent, verifiable data streams and empower consumers to drive markets for vehicles and mobility services?
  - What policies can incentivize the necessary investment (including by individuals and small communities) in physical and digital infrastructure?

A future where government empowers consumers, supports free and fair markets, and enables innovation.

3. How policy and regulation can ease the transition to an era of energy digitalization, such as:
  - Do consumers still want to own cars? What policies are holding back alternative financing mechanisms and business models for deploying and accessing mobility services?
  - How can fleets be leveraged to pilot emerging technologies? What policy mechanisms would help successful fleet demonstrations scale to other markets?
  - How can new data streams from digital innovations—for example sustainability attributes of fuels verified by a blockchain system—be best integrated with existing measurement, reporting, and verification (MRV) frameworks?

Policy can and should be better aligned with energy consumer preferences and competitive markets.

While questions like these are a starting point, we know that we don't have all the answers. Some barriers are so entrenched they may seem insurmountable, but potential solutions are also advancing at an unprecedented pace. Policy can and should be better aligned with energy consumer preferences and competitive markets; EC-MAP plans to work with incumbent stakeholders, new stakeholders, policymakers—and you—to build a roadmap to get there. We hope you will join us in accelerating the era of energy digitalization.

## FURTHER READING

The following is a selection of key resources related to the topics covered in this paper. These sources may be instructive for future EC-MAP discussions and activities.

\*\*\*

Bordonali, Corrado, Simone Ferraresi, and Wolf Richter. *Shifting Gears in Cyber Security for Connected Cars*. McKinsey & Company, February 2017.

Energy Futures Initiative. *Promising Blockchain Applications for Energy: Separating the Signal from the Noise*. Washington, DC: Energy Futures Initiative, July 2018.

Farren, Michael, Christopher Koopman, and Matthew Mitchell. *Rethinking Taxi Regulations: The Case for Fundamental Reform*. Arlington, VA: Mercatus Center at George Mason University, July 2016.

Fitzgerald, Garrett, Chris Nelder, and James Newcomb. *Electric Vehicles as Distributed Energy Resources*. Boulder, CO: Rocky Mountain Institute, 2017.

Furth, Salim and David Kreutzer. *Fuel Economy Standards Are a Costly Mistake*. Washington, DC: Heritage Foundation, March 4, 2016.

International Energy Agency. *Digitalization & Energy*. Paris: International Energy Agency, 2017.

Monitor Deloitte. *Blockchain @ Auto Finance*. n.p.: Deloitte, 2017.

Morris, Julian and Arthur R. Wardle. *CAFE and ZEV Standards: Environmental Effects and Alternatives*. Los Angeles, CA: Reason Foundation, August 2017.

North Carolina Clean Energy Technology Center. *The 50 States of Electric Vehicles: 2017 Policy Review*. Raleigh, NC: NC State University, February 2018.

Shell International B.V. *Shell Scenarios: Sky*. n.p.: Shell International B.V., 2018.

Snead, Jason. *Taxicab Medallion Systems: Time for a Change*. Washington, DC: Heritage Foundation, December 10, 2015.

U.S. Government Accountability Office. *Renewable Fuel Standard: Low Expected Production Volumes Make It Unlikely That Advanced Biofuels Can Meet Increasing Targets*. GAO-17-108. Washington, DC, November 2016.

U.S. Government Accountability Office. *Renewable Fuel Standard: Program Unlikely to Meet Its Targets for Reducing Greenhouse Gas Emissions*. GAO-17-94. Washington, DC, November 2016.

Wilbur, Pinar Cebi. *How to Shape U.S. Infrastructure Policy*. Washington, DC: American Council for Capital Formation, February 2018.

World Economic Forum. *Transformation of the Global Energy System*. Geneva: World Economic Forum, January 2018.

## ENDNOTES

<sup>1</sup> Adam Lella, "U.S. Smartphone Penetration Surpassed 80 Percent in 2016," *comScore*, February 3, 2017, <https://www.comscore.com/Insights/Blog/US-Smartphone-Penetration-Surpassed-80-Percent-in-2016>.

<sup>2</sup> Jack Fleming, "Cars Are Full of Tech That Gets Outdated Fast — So People Are Leasing, Not Buying," *Los Angeles Times*, July 7, 2017, <http://www.latimes.com/business/la-fi-car-computer-lease-20170709-story.html>.

<sup>3</sup> "The Future of Car Ownership is Fair," *Fair.com*, accessed June 20, 2018, <https://www.fair.com>.

<sup>4</sup> Aarian Marshall, "Robocars Could Add \$7 Trillion To The Global Economy," *Wired*, June 3, 2017, <https://www.wired.com/2017/06/impact-of-autonomous-vehicles/>.

<sup>5</sup> *Ibid.*

<sup>6</sup> International Energy Agency, *Digitalization & Energy* (Paris: International Energy Agency, 2017).

<sup>7</sup> Global Market Insights website, accessed March 5, 2018, <https://www.gminsights.com/industry-analysis/intelligent-transportation-system-ITS-market>.

<sup>8</sup> Utilities Technology Council, *Why Do Utilities Need Access To Spectrum?* (Washington, DC: Utilities Technology Council, October 2017).

<sup>9</sup> Tom Baumann, "Enhancing MRV with Digital Innovations," (presentation, January 23, 2018).

<sup>10</sup> "Highway History," U.S. Department of Transportation, Federal Highway Administration, accessed March 4, 2018, <https://www.fhwa.dot.gov/infrastructure/gastax.cfm>.

<sup>11</sup> American Society of Civil Engineers, 2017 *Infrastructure Report Card: Roads* (Washington, DC: American Society of Civil Engineers, 2017).

<sup>12</sup> *Ibid.*

<sup>13</sup> Alex Davies, "Here's How Much Your City's Crappy Roads Are Costing You," *Wired*, July 28, 2015, <https://www.wired.com/2015/07/heres-much-citys-crappy-roads-costing-you%E2%80%A8/>.

<sup>14</sup> Union of Concerned Scientists, "A Brief History of U.S. Fuel Efficiency Standards," accessed March 5, 2018, <https://www.ucsusa.org/clean-vehicles/fuel-efficiency/fuel-economy-basics.html#.Wp2Xm2aZNPM>.

<sup>15</sup> Salim Furth and David Kreutzer, *Fuel Economy Standards Are a Costly Mistake* (Washington, DC: Heritage Foundation, March 4, 2016), <https://www.heritage.org/government-regulation/report/fuel-economy-standards-are-costly-mistake>.

<sup>16</sup> Stephen Edelstein, "Which States Follow California's Emission and Zero-Emission Vehicle Rules?" *Green Car Reports*, March 7, 2017, [https://www.greencarreports.com/news/1109217\\_which-states-follow-californias-emission-and-zero-emission-vehicle-rules](https://www.greencarreports.com/news/1109217_which-states-follow-californias-emission-and-zero-emission-vehicle-rules).

<sup>17</sup> "Automakers Seek to Align Fuel Economy and Greenhouse Gas Regulations," *EveryCRSReport.com*, August 8, 2016, <https://www.everycrsreport.com/reports/IN10550.html>.

<sup>18</sup> Robinson Meyer, "How Carmakers Trumped Themselves," *The Atlantic*, June 20, 2018, <https://www.theatlantic.com/science/archive/2018/06/how-the-carmakers-trumped-themselves/562400/>.

<sup>19</sup> Lucas Davis, "New CAFE Standards: The Good, the Bad and the Ugly," Energy Institute at Haas (blog), January 25, 2016, <https://energyathaas.wordpress.com/2016/01/25/new-cafe-standards-the-good-the-bad-and-the-ugly/>.

<sup>20</sup> Ibid.

<sup>21</sup> Marc Gunther, "On Fuel Economy Efforts, U.S. Faces an Elusive Target," Yale Environment360, April 7, 2016, [https://e360.yale.edu/features/on\\_fuel\\_economy\\_efforts\\_us\\_faces\\_elusive\\_target](https://e360.yale.edu/features/on_fuel_economy_efforts_us_faces_elusive_target).

<sup>22</sup> Lucas Davis, "New CAFE Standards: The Good, the Bad and the Ugly."

<sup>23</sup> Marc Gunther, "On Fuel Economy Efforts, U.S. Faces an Elusive Target."

<sup>24</sup> "The Unintended Consequences of Ambitious Fuel-economy Standards," Knowledge @Wharton, February 3, 2015, <http://knowledge.wharton.upenn.edu/article/unintended-consequences-ambitious-fuel-economy-standards/>.

<sup>25</sup> Salim Furth and David Kreutzer, *Fuel Economy Standards Are a Costly Mistake*.

<sup>26</sup> "The Unintended Consequences of Ambitious Fuel-economy Standards."

<sup>27</sup> Marc Gunther, "On Fuel Economy Efforts, U.S. Faces an Elusive Target."

<sup>28</sup> Salim Furth and David Kreutzer, *Fuel Economy Standards Are a Costly Mistake*.

<sup>29</sup> Kelsi Bracmort, *The Renewable Fuel Standard (RFS): An Overview* (Washington, DC: Congressional Research Service, January 24, 2018), <https://fas.org/sgp/crs/misc/R43325.pdf>.

<sup>30</sup> Eric Wesoff, "Hard Lessons From the Great Algae Biofuel Bubble," *Greentech Media*, April 19, 2017, [https://www.greentechmedia.com/articles/read/lessons-from-the-great-algae-biofuel-bubble#gs.vcU\\_wNs](https://www.greentechmedia.com/articles/read/lessons-from-the-great-algae-biofuel-bubble#gs.vcU_wNs).

<sup>31</sup> U.S. Government Accountability Office, *Renewable Fuel Standard: Low Expected Production Volumes Make It Unlikely That Advanced Biofuels Can Meet Increasing Targets*, GAO-17-108 (Washington, DC, November 2016).

<sup>32</sup> Ibid.

<sup>33</sup> "Federal Subsidies for Biofuels and Biomass Energy," Taxpayers for Common Sense, last modified December 1, 2017, [https://www.taxpayer.net/energy-natural-resources/federal-subsidies-biofuels-biomass-energy/#\\_ftn1](https://www.taxpayer.net/energy-natural-resources/federal-subsidies-biofuels-biomass-energy/#_ftn1).

<sup>34</sup> Sandra Cowherd, "House Panel Examines Potential for Higher Octane Fuels, High Efficiency Engines," *Agri-pulse*, April 13, 2018, <https://www.agri-pulse.com/articles/10844-environment-committee-dissects-low-emission-high-octane-biofuels>.

<sup>35</sup> MIT Energy Initiative, *Utility of the Future* (Cambridge, MA: Massachusetts Institute of Technology, December 2016).

<sup>36</sup> "USA Plug-in Vehicle Sales for 2017 Q4 and Full Year," EVvolumes.com, accessed March 7, 2018, <http://www.ev-volumes.com/country/usa/>.

<sup>37</sup> Jeffrey Rissman, "The Future Of Electric Vehicles In The U.S., Part 1: 65%-75% New Light-Duty Vehicle Sales By 2050," *Forbes*, September 14, 2017, <https://www.forbes.com/sites/energyinnovation/2017/09/14/the-future-of-electric-vehicles-in-the-u-s-part-1-65-75-new-light-duty-vehicle-sales-by-2050/#138de55fe289>.

<sup>38</sup> Jack Ewing, "Volvo, Betting on Electric, Moves to Phase Out Conventional Engines," *New York Times*, July 5, 2017, <https://www.nytimes.com/2017/07/05/business/energy-environment/volvo-hybrid-electric-car.html>.

- <sup>39</sup> Brian Chee, "Volkswagen Plans \$40 Billion EV Investment Over Next Five Years," *New York Daily News*, December 6, 2017, <http://www.nydailynews.com/autos/news/vw-plans-big-electric-future-article-1.3681253>.
- <sup>40</sup> "BMW Wants to Sell Half a Million Hybrids and Electric Cars by 2019," *Fortune*, December 21, 2017, <http://fortune.com/2017/12/21/bmw-hybrid-electric-cars/>.
- <sup>41</sup> Nathan Bomey, "General Motors to Switch to Electric Vehicles as Gas Vehicles Die a Slow Death," *USA Today*, October 2, 2017, <https://www.usatoday.com/story/money/cars/2017/10/02/gm-electric-vehicles/722896001/>.
- <sup>42</sup> North Carolina Clean Energy Technology Center, *The 50 States of Electric Vehicles: 2017 Policy Review* (Raleigh, NC: NC State University, February 2018).
- <sup>43</sup> Rich Heidorn Jr., "Ready to Act on DERs, FERC Tells Congress," *RTO Insider*, April 22, 2018, <https://www.rtoinsider.com/ferc-congress-der-90967/>.
- <sup>44</sup> Advanced Energy Economy Institute, *Utility Earnings in a Service-Oriented World* (San Francisco: Advanced Energy Economy Institute, January 30, 2018).
- <sup>45</sup> Roey Rosenblith, "Only Rubio Shows Leadership When It Comes to Innovation in Auto Industry," *Sun-Sentinel*, March 14, 2016, <http://www.sun-sentinel.com/opinion/commentary/sfl-only-rubio-shows-leadership-when-it-comes-to-innovation-in-auto-industry-20160314-story.html>.
- <sup>46</sup> Ibid.
- <sup>47</sup> Marina Lao, Debbie Feinstein, and Francine Lafontaine, "Direct-to-Consumer Auto Sales: It's Not Just About Tesla," U.S. Federal Trade Commission (blog), May 11, 2015, <https://www.ftc.gov/news-events/blogs/competition-matters/2015/05/direct-consumer-auto-sales-its-not-just-about-tesla>.
- <sup>48</sup> "Map of Deregulated Energy States and Markets (Updated 2017)," Electric Choice website, accessed March 28, 2018, <https://www.electricchoice.com/map-deregulated-energy-markets/>.
- <sup>49</sup> Mathew J. Morey and Lawrence D. Kirsch, *Retail Choice in Electricity: What Have We Learned in 20 Years?* (Madison, WI: Christensen Associates Energy Consulting, LLC, February 11, 2016).
- <sup>50</sup> Michael Farren, Christopher Koopman, and Matthew D. Mitchell, "Ridesharing vs. Taxis: Rethinking Regulations to Allow for Innovation," Mercatus Center, May 25, 2017, <https://www.mercatus.org/publications/ridesharing-vs-taxis-rethinking-regulations-allow-innovation>.
- <sup>51</sup> Jennifer Kite-Powell, "See How This Clean Tech Start Up Plans To Turn Electric Vehicles Into Virtual Power Plants," *Forbes*, June 28, 2017, <https://www.forbes.com/sites/jenniferhicks/2017/06/28/see-how-this-clean-tech-start-up-plans-to-turn-idle-electric-vehicles-into-virtual-power-plants/#5aa84a2c6a1b>.
- <sup>52</sup> "Connected Vehicle Pilot Project Inspires Coordination among Florida Public Agencies," U.S. Department of Transportation, accessed March 7, 2018, [https://www.its.dot.gov/pilots/florida\\_agencies.htm](https://www.its.dot.gov/pilots/florida_agencies.htm).
- <sup>53</sup> Matt Leonard, "Tampa Revs Up Connected-Vehicle Pilot," *GCN*, July 24, 2017, <https://gcn.com/articles/2017/07/24/tampa-connected-vehicle-pilot.aspx>.
- <sup>54</sup> James Ayre, "Total Planning To Add EV Charging Stations To Its Petrol/Gasoline Station Network In France," *CleanTechnica*, February 5, 2017, <https://cleantechnica.com/2017/02/05/total-planning-add-ev-charging-stations-petrolgasoline-station-network-france/>.
- <sup>55</sup> Tina Casey, "It's Over: Oil Giant Shell Doubles Down On EV Charging Stations,"



*CleanTechnica*, October 16, 2017, <https://cleantechnica.com/2017/10/16/oil-giant-shell-doubles-ev-charging-stations/>.

<sup>56</sup> Brian Eckhouse and Kelly Gilblom, "Shell's Pivot to Renewables Sharpens With California Deal," *Bloomberg*, February 14, 2018, <https://www.bloomberg.com/news/articles/2018-02-14/shell-makes-another-bet-on-renewable-energy-with-inspire-deal>.

<sup>57</sup> Betsy Lillian, "I-44 CNG Corridor Gets New High-Flow, Public-Access Station," *NGT News*, May 24, 2018, <https://ngtnews.com/i-44-cng-corridor-gets-new-high-flow-public-access-station>.

<sup>58</sup> Shell International B.V. *Shell Scenarios: Sky* (n.p.: Shell International B.V., 2018).

<sup>59</sup> Jack Barrow (Co-Founder, BTR Energy), phone interview with EC-MAP, May 24, 2018.

<sup>60</sup> Alex Davies, "Uber's Self-Driving-Truck Scheme Hinges on Logistics, Not Tech," *Wired*, March 6, 2018, <https://www.wired.com/story/uber-self-driving-truck-scheme-logistics-testing/>.

<sup>61</sup> *Ibid.*



[ec-map.org](http://ec-map.org) | [info@ec-map.org](mailto:info@ec-map.org)

Message

---

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 11/19/2018 6:40:54 PM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** EPA Region 4 chief resigns following indictment

By Anthony Adragna

11/19/2018 01:39 PM EDT

EPA Region 4 Administrator Trey Glenn resigned Sunday following his indictment last week on state ethics charges, the agency said today.

"On November 18, 2018, Acting Administrator Wheeler accepted Trey Glenn's resignation," chief of staff Ryan Jackson wrote in a [message](#) to Region 4 and EPA leadership. "We thank Trey for his service to EPA over the past 14 months."

An Alabama grand jury [indicted](#) Glenn for alleged violations of the Alabama Ethics Act on Nov. 13 for violations including using his office for personal gain and receiving money on top of his official salary. Glenn first joined the Trump administration in 2017. EPA Region 4 encompasses Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee.

Jackson said Mary Walker, the current deputy regional administrator for Region 4, would step in as acting regional administrator and that she had Wheeler's "full confidence."

News of Glenn's resignation was first [reported](#) by Al.com.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2018/11/epa-region-4-chief-resigns-following-indictment-2220460>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

## POLITICOPRO

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicopro.com](https://subscriber.politicopro.com).

---

This email was sent to gunasekara.mandy@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 8/1/2018 9:44:14 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by ExxonMobil: Wheeler settles in for first congressional test — Omnibus nears the finish line — Trump makes OSTP pick

By Anthony Adragna | 08/01/2018 05:42 AM EDT

*With help from Eric Wolff, Darius Dixon, Emily Holden and Alex Guillén*

**WHEELER BACK IN OLD STOMPING GROUNDS:** Acting EPA chief Andrew Wheeler settles into his first congressional test in his new role this morning when he testifies before the same committee — the Senate Environment and Public Works Committee — where he spent years as a senior aide. Democrats told ME they'll pepper him with questions on EPA's proposed fuel economy standard rollback and reports he met with prior lobbying clients while deputy administrator, but to expect a more civil tone than under previous sessions with former Administrator Scott Pruitt. "It will be different," ranking member Tom Carper told ME. "There will be tough questions. We won't be totally thrilled, I'm sure, with some of the answers, but some of early the developments — he's only been there three weeks — have been encouraging."

**Democrats said they'll focus on policy** and made clear they're skeptical Wheeler will be any better for the environment than Pruitt. "It's clear that when it comes to policy issues, he represents a continuation of the previous Administrator Scott Pruitt's attack on protecting the health and the environment of the American people," Sen. Chris Van Hollen told ME. "You can expect every Scott Pruitt issue to be raised again to the new head of the EPA," Sen. Ed Markey added.

**It's not just Democrats though:** Wheeler better be ready to answer questions on the Renewable Fuel Standard, because the corn-staters on the panel are going to ask about it. Wheeler can expect to be pressed on EPA's expanded use of exemptions for small refiners and Trump's recent promise to expand sales of 15 percent ethanol fuel. But it's hard to imagine what the group can expect to get out of Wheeler. Pruitt assured all the Midwesterners he would "follow the law" but then proceeded to use every legal lever he could to cut compliance costs for refiners, infuriating corn-state lawmakers in the process.

**Not everyone cheers the RFS:** The committee has plenty of RFS opponents on it, including Wheeler's old boss, Sen. Jim Inhofe. Even RFS backers know to expect a kerfuffle: Nebraska Sen. Deb Fischer said she expects "a debate among Republicans on RFS issues" and Sen. Mike Rounds told ME "there could be [disagreement], but we all want to know where they stand."

**If you go:** The hearing gavels in at 10:30 a.m. in 406 Dirksen.

**Before it kicks off,** committee members will vote at 9:45 a.m. on four nominations: Peter Wright to be assistant EPA administrator for the Office of Land and Emergency Management; Charles McIntosh for assistant EPA administrator for the Office of International and Tribal Affairs; Mary Neumayr to lead the White House Council on Environmental Quality; and former Louisiana Rep. John Fleming to serve as assistant secretary of Commerce for economic development. More information here.

**IT'S WEDNESDAY!** I'm your host, Anthony Adragna, filling in for Kelsey who's off on a well-deserved break. Andeavor's Stephen Brown was first up to identify Great Smoky Mountains National Park as our country's most visited. For today: When was the last time an incumbent governor and senator from the same

state but opposite parties lost reelection on the same day? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@AnthonyAdragna](https://twitter.com/AnthonyAdragna), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**FINISHING UP:** The Senate has a five-vote series today beginning at 11 a.m. (so Wheeler's going to be patient) that finishes off with the massive four-title minibus [H.R. 6147 \(115\)](#) that's been occupying the chamber's floor for more than a week now. The four amendments getting votes ahead of final passage aren't related to the Interior and Environment title (they range from one related to election security to another blocking the District's health insurance mandate).

**The vote comes after** senators agreed to add nearly four dozen noncontroversial amendments to the package by voice vote late Tuesday. Several that caught ME's attention: Sen. [Marco Rubio's amendment](#) providing funds to study and combat algal blooms, as well as [another](#) from Sen. [Bill Cassidy](#) giving funds to certain biomass research efforts.

**CLEARING THE AIR:** EPA's annual air trends report showed a small decrease in sulfur dioxide concentrations between 2016 and 2017, with several other pollutants remaining level. EPA air chief Bill Wehrum attributed a 4 percent to 5 percent increase in particulate matter to intense wildfires out West. And officials said an apparent jump in lead concentrations was because of a change in what data EPA includes in its analysis, not because lead levels have increased dramatically. "The timeline and the number of monitors that were included in the analysis changed," said Liz Naess, leader of the Air Quality Analysis Group of EPA's Office of Air Quality Planning & Standards. "But we felt like increasing the number of monitors provided more robust trend line over that period."

**That comes as Wehrum** said it is "totally wrong" to think that limits on air pollution should always be as strict as possible, Pro's Alex Guillén [reports](#).

**TRUMP PICKS SCIENCE ADVISER:** President Donald Trump formally selected [Kelvin Droegemeier](#), an extreme weather expert from the University of Oklahoma, to head the Office of Science and Technology Policy on Tuesday. John Holdren, who served as President Barack Obama's science adviser, called Droegemeier a "very good pick" in [Science](#). The selection is subject to Senate confirmation. He's on Twitter [here](#).

**Rush Holt**, chief executive officer of the American Association for the Advancement of Science, applauded the selection: "Science and technology are embedded in almost every issue that the president deals with, and since 2016, we've urged the nomination of a respected scientist or engineer. Kelvin Droegemeier is such a scientist," he said in a statement.

**CALL FOR BIPARTISAN ACTION ON PFAS:** Michigan Reps. [Fred Upton](#) and [Dan Kildee](#) released a joint statement Tuesday calling for other states to follow Michigan's lead by testing all public water supplies for PFAS. The duo also said they would push federal legislation requiring EPA to set a national exposure standard for the toxic nonstick chemicals. "The EPA has failed to act with the proper urgency to set a standard and therefore we support bipartisan legislative action that would require them to do so," they said. "Every Michigan family deserves safe and clean drinking water. No exceptions."

**KOCH NETWORK CALCULUS:** Senate Majority Whip [John Cornyn](#) told reporters Tuesday the administration's trade policy may have played a role in the Koch network's decision [not to provide help](#) in several key Senate contests this year. "I do think this is a point of concern, I do," said Cornyn, who attended a weekend retreat in Colorado Springs, Colo. with the network. "My impression is they're focusing their efforts on things other than elections and more about changing the culture, which I commend them for."

**\*\* Presented by ExxonMobil:** Natural gas has become more important than ever. That's because it's fueling an American manufacturing revival and creating jobs while lowering emissions. And ExxonMobil is one of the world's largest providers. [EnergyFactor.com](http://EnergyFactor.com) \*\*

**WATER RESOURCES UPDATE:** Floor consideration of a broad water resources package remains stymied by one Republican — Sen. [Richard Burr](#), who is pushing for a floor vote on his bid to reauthorize the Land and Water Conservation Fund. "We got 99 people ready to vote," Senate EPW Chairman [John Barrasso](#) told reporters. Remember Barrasso said last week the LWCF issue is "not germane" to the pending water resources bill, [S. 2800 \(115\)](#).

**Never a coincidence:** When ME questioned whether he asked Trump for an endorsement, which he got on Twitter on Tuesday afternoon, Barrasso didn't directly answer but said: "I talked to him this morning."

**GOP LOOKING TO NARROW STATES' PIPELINE POWERS:** Republican senators have introduced legislation designed to curb the authorities states have tapped to block interstate natural gas pipeline projects as well as a coal export terminal. New seven-page legislation from Barrasso, and fellow GOP Sens. [Shelley Moore Capito](#), [Inhofe](#) and [Steve Daines](#), would make several "clarifications" about what reasons state agencies are allowed to use in denying a project a needed water quality certificate. Although FERC has the ultimate responsibility for authorizing gas pipelines that cross state borders, project developers must also get a Clean Water Act Section 401 water quality certification from individual states. Echoing their arguments from last month, the lawmakers said that New York and Washington had "abused" the Clean Water Act.

**WHERE'S PERRY?** Energy Secretary Rick Perry's at the James A. FitzPatrick Nuclear Power Plant in Oswego, N.Y. this morning where he'll "receive a tour of the facility and participate in an energy roundtable discussion" with Rep. [John Katko](#), industry executives and employees at the Exelon facility.

**FOR YOUR RADAR:** Udall holds a press conference with citizens from around the country to demand EPA carry out proposed bans on high-risk uses of trichloroethylene, or TCE. It kicks off at 11:30 a.m. in room 208 in the Capitol Visitor Center.

**RAISING EYEBROWS IN ALASKA:** Alaska's climate task force wants the oil-rich state to look into instituting a carbon tax, with revenues directed to a green bank and to offset some costs to consumers and companies. The idea is part of a draft action plan posted by the group, led by Lt. Gov. Byron Mallott, ahead of its meeting Thursday. It also suggests consideration of whether to endorse any national fee and dividend legislation. The task force said its plan is not a consensus document but is meant to offer a "suite of options" to inform agency efforts. Alaska's Republican-controlled Senate is unlikely to approve a carbon tax. Mallott, a Democrat, and Gov. Bill Walker, who was previously a Republican and is now independent, ran together on a unity ticket in 2014; they are up for reelection in a close race this year after Walker reduced annual oil checks to residents.

**ANOTHER MEMO:** In a memo to staff Tuesday, Wheeler reaffirmed a commitment to equal employment opportunity, saying the agency won't tolerate discrimination or harassment. "A professional, productive, diverse and inclusive workplace is essential to the EPA's mission to protect human health and the environment," Wheeler said.

**QUICK CLICK:** The National Park Service released a video Tuesday highlighting the national maintenance backlog. View it [here](#).

## QUICK HITS

— Oil just had its worst month in 2 years as Trump pressures Saudi Arabia to pump more. [CNBC](#).

- Death Valley to post hottest month ever recorded on Earth, for the second July in a row. [Washington Post](#).
- Perry: US to become net energy exporter within 18 months. [The Hill](#).
- 3M Knew About the Dangers of PFOA and PFOS Decades Ago, Internal Documents Show. [The Intercept](#).
- Arch Coal Is the Incredible Shrinking Miner. [Bloomberg](#).
- Unsurvivable heatwaves could strike heart of China by end of century. [The Guardian](#).

## HAPPENING TODAY

9:45 a.m. — The Senate Environment and Public Works Committee votes on the nominations of Mary Neumayr to run the White House Council on Environmental Quality, Peter Wright to run EPA's Office of Land and Emergency Management and William McIntosh to run EPA's Office of International and Tribal Affairs, Dirksen 406

10:30 a.m. — EPW holds a hearing with acting EPA Administrator Andrew Wheeler, Dirksen 406

11:30 a.m. — Sen. Tom Udall participates in a press conference urging EPA action on TCE, CVC 208

**\*\* Presented by ExxonMobil:** Energy is fundamental to modern life and drives economic prosperity - in small communities across America and around the world. We need a range of solutions to meet growing energy demand while reducing emissions to address the risk of climate change. Visit the Energy Factor to learn more about some of the bold ideas and next-generation technologies we're working on to meet this challenge: [EnergyFactor.com](#) \*\*

*To view online:*

<https://subscriber.politicopro.com/newsletters/morning-energy/2018/08/wheeler-settles-in-for-first-congressional-test-302729>

## Stories from POLITICO Pro

### House Democrats call for investigation of Wheeler meetings with former clients [Back](#)

By Emily Holden | 07/27/2018 05:46 PM EDT

House Democrats are asking the Office of Government Ethics to review acting EPA Administrator Andrew Wheeler's meetings with companies that employed him as a lobbyist.

Rep. [Don Beyer](#) (D-Va.) and several colleagues sent a letter to the independent agency today following reporting from E&E News that Wheeler met with at least three former clients in recent months as deputy administrator. They pointed to previous Administrator Scott Pruitt's resignation "under a cloud of ethical controversy" among the reasons for their concern.

"That context, Wheeler's past work as a coal lobbyist, and the many conflicts of interest which that work naturally presents to his leadership of the EPA demand that his meetings and communications be carefully scrutinized so that he is held to the highest ethical standard," wrote Beyer and Reps. [Raja Krishnamoorthi](#) (D-Ill.), [Pramila Jayapal](#) (D-Wash.), and [Jamie Raskin](#) (D-Md.).

EPA ethics reviews essentially operate on the honor system to ensure Wheeler is abiding by the Trump administration's pledge to avoid dealing with companies for whom he lobbied within the previous two years.

"We rely on the disclosures of an individual," ethics official Justina Fugh told POLITICO.

But public forms list Wheeler as a lobbyist for former clients less than two years before he was sworn in as deputy administrator on April 20. For example, Wheeler's former firm, Faegre Baker Daniels, did not disclose that it stopped lobbying for Darling Ingredients until May 31, 2016.

Fugh said Darling was not on a list Wheeler had submitted of lobbying clients in the prior two years. She said he also can meet with past clients that are subject to the pledge in certain group settings.

**WHAT'S NEXT:** The Democrats asked OGE to determine whether Wheeler had violated his pledge and to clarify its terms.

*To view online [click here.](#)*

[Back](#)

**EPA air chief: 'Totally wrong' to say strict rules always best** [Back](#)

By Alex Guillén | 07/31/2018 03:27 PM EDT

EPA air chief Bill Wehrum says it is "totally wrong" to think that limits on air pollution should always be as strict as possible.

Wehrum, a lawyer who represented numerous industry groups before joining the agency, defended the Trump administration's business-friendly approach to regulation today on a conference call with reporters.

"Some people like to believe we should have the most stringent program on the books that we possibly can, and prior administrations have tried to do that. But I think that's totally wrong," Wehrum said. "Because that does not produce the best environmental outcome by having the strictest regulation, because those rules discourage people from doing really commonsense and worthwhile environmentally protective projects like energy efficiency projects."

He pointed specifically to EPA's New Source Review program, which requires power plants, refineries and other major emitters to go through a permitting process for many projects.

Former Administrator Scott Pruitt issued [several memos](#) easing NSR requirements, arguing in part that if companies can carry out certain projects without concern about triggering a complicated NSR review, they would be more willing to install efficiency upgrades and carry out other projects that could reduce pollution.

"By adjusting the program to hit a sweet spot where you control the emissions that need to be controlled, but you don't over-regulate to the degree you discourage beneficial behavior, then you're producing a much better overall result," Wehrum said.

*To view online [click here.](#)*



[Back](#)

## **Koch network snubs key GOP Senate candidate** [Back](#)

By Maggie Severns | 07/30/2018 03:04 PM EDT

COLORADO SPRINGS, Colo. — The powerful Koch political network won't help the Republican nominee in a crucial Senate race less than 100 days before the midterm elections, saying Rep. Kevin Cramer (R-N.D.) doesn't do enough to further the network's policy issues to warrant its help.

And as the Koch network pushes Republicans not to take its support for granted, the group has quietly taken other steps to withhold its support from Senate candidates it sees as out of line with its views, despite the party's push to maintain or expand its majority this fall.

Cramer was the first Republican Senate candidate to be publicly jettisoned by the powerful Koch network this cycle. But during a private briefing over the weekend, donors were given a handout that indicated the network is also currently not supporting Senate candidates in two other key states — Indiana and Nevada — according to a photo of the document obtained by POLITICO.

Cramer is challenging Sen. Heidi Heitkamp (D-N.D.) in a must-win contest that could decide the balance of power in the Senate during the next Congress. In pushing him aside, Koch officials were clear to the donors that they are sending a message: Republicans in Congress should not take their support for granted.

Standing in front of a 20-foot-high photo of Cramer projected on a screen, Americans for Prosperity President Tim Phillips told hundreds of top conservative donors that Cramer is "inconsistent" on a range of other issues that are key to the Koch network, such as reducing government spending and supporting free trade.

"We can't support him at this time. And to be clear, we've met with his team, explained this, and lobbied him on this to change their ways," Phillips said.

"There are risks involved any time you take a stand," said Emily Seidel, CEO of Americans for Prosperity. "Why would Cramer or any other Republican feel like they need to listen to this network if they know we'll support them anyway?"

Not everyone here at the Koch network's biannual confab agrees: Dan K. Eberhart, a donor to the Koch network and fundarising vice chairman for Cramer's campaign, said that "Kevin Cramer is an excellent public servant who looks out for North Dakota."

"This proves he isn't bought," Eberhart added.

Cramer's campaign shrugged off the snub. "As I have always said, I work for the people of North Dakota and will always vote with them in mind," Cramer said in a statement. "My voting record may not be exactly what every national organization wants, but it is exactly what the majority of North Dakotans expect."

The Koch network has passed over supporting some moderate Republican candidates in the past. During the 2016 elections, for example, then-Sen. Kelly Ayotte (R-N.H.) did not receive support from the Koch network during her reelection bid. (Ayotte was narrowly defeated that November by Democrat Maggie Hassan.)

But this year, Cramer is not the only Republican candidate the Koch network is considering leaving behind. The network is currently only active in four Senate races, a network official said Monday: Wisconsin, Missouri, Tennessee and Florida.

And during the weekend retreat held in Colorado Springs, donors briefed on the network's plans were given a handout on candidates the network is supporting that omitted three Republican senate candidates in particular from its list: Cramer, Indiana Senate nominee Mike Braun and incumbent Sen. Dean Heller (R-Nev.).

Braun, a businessman, is challenging Indiana Sen. Joe Donnelly — an incumbent the Koch network originally announced in January as one of its top targets for the midterm elections. But the Koch network is not currently doing any door-to-door work or airing television ads in Indiana at all, an unusual pull-back.

In Nevada, the Koch network is helping state Attorney General Adam Laxalt in his gubernatorial bid — but not Heller, who was the subject of criticism from Phillips about his stance on health care and a vote in favor of a spending bill opposed by the Koch network in the Las Vegas Review-Journal in April. Heller is among the most moderate Republicans in the Senate and one of the most endangered senators from either party running for reelection.

In such races, the Koch network can offer its favored candidates not just millions of dollars in television advertising — but also paid staff and volunteers who knock doors and work year-round to identify swing voters and turn them out for elections.

At this weekend's summit, Seidel told the donors about a Republican senator who told his colleagues to not "worry about the Kochs" during a caucus meeting as the senators debated legislation. "By 'Kochs,' he was talking about all of you," Seidel said. "We can't just keep falling into the trap of doing what we need to do to get through November."

Phillips did hint that the door might be open for Cramer, if he were willing to change his policy platform, however: "Give Kevin Cramer a call — urge him to step up and lead."

*To view online [click here](#).*

[Back](#)

### **Burr vows to keep fighting for LWCF reauthorization [Back](#)**

By Anthony Adragna | 07/26/2018 01:11 PM EDT

Sen. Richard Burr (R-N.C.) says he will keep up his push for a vote to permanently reauthorize the Land and Water Conservation Fund, as appropriators try to keep him from disrupting their work.

"I'm probably seeking a vote on LWCF on anything that leaves the United States Senate until I get an up or down vote," he told POLITICO Thursday. "I'm only here to legislate good legislation. LWCF fits that bill."

Burr and Sen. Cory Gardner (R-Colo.) were prevented from offering an amendment to the pending minibuss spending bill, H.R. 6147 (115), Thursday morning. Sen. Lisa Murkowski (R-Alaska), who was managing the Interior-Environment portion of the bill, said she had to "reluctantly" block the amendment because it is not germane to the bill.

A vote on the spending bill is not expected before next week. Senate Appropriations Chairman Richard Shelby (R-Ala.) said he hoped Burr's objections would not prompt further delays, and he urged Senate leadership to schedule an LWCF vote.

"We all support that legislation, but we just think it's not proper" on this bill, Shelby told POLITICO. "There's got to be a way with that much support for that bill to bring it up and pass it fast."

Gardner said he and Burr are open to other options.

"We're willing to find the right vehicle," Gardner said. "We're willing to find the right moment. And so, the only way we're going to discover when that is is if we try at every turn."

Next in the Senate's queue is a water resources bill that also could provide a vehicle for an LWCF amendment. Leaders have been working toward an agreement on the package, [S. 2800 \(115\)](#), in hopes of enabling its consideration before the Senate takes a one-week pause the week of Aug 6. A spokesman for the Senate Environment and Public Works Committee did not respond to request for comment.

Burr's move to secure an LWCF vote is reminiscent of a similar effort in 2015 where Burr [held up](#) Senate consideration of a broad overhaul of the nation's primary chemicals law in hopes of securing a vote on LWCF. The fund, which ultimately got a three-year extension in 2015, is due to expire at the end of Sept. 30.

*To view online [click here](#).*

[Back](#)

#### **Barrasso: LWCF 'not germane' to water resources bill** [Back](#)

By Anthony Adragna | 07/26/2018 04:31 PM EDT

Sen. [John Barrasso](#) says he does not want to see his water infrastructure bill used as a vehicle to permanently reauthorize the Land and Water Conservation Fund, setting up a possible intra-party clash that may complicate both efforts.

Authorization for the popular program expires Sept. 30, and Republicans led by Sens. [Richard Burr](#) and [Cory Gardner](#) say they will pursue [every possible opportunity](#) to secure a vote to make it permanent. They were blocked earlier today from offering the amendment to a pending appropriations bill, and now Barrasso seems set to deny them another opportunity.

Burr's amendment is also "not germane" to the water resources bill, [S. 2800 \(115\)](#), Barrasso told POLITICO this afternoon. The Environment and Public Works chairman had hoped to get the infrastructure bill to the floor as soon as next week, but it was not on the schedule as of Friday afternoon.

"I am continuing to work with Leader [\[Mitch\] McConnell](#) on timing for floor consideration of the water infrastructure bill," he said in a statement.

The LWCF uses revenues from offshore oil and gas development to establish national parks and other public spaces.

Burr previously held a chemicals bill over his push for permanent LWCF reauthorization in 2015 before ultimately securing a three-year extension for the program as part a year-end spending bill [H.R. 2029 \(114\)](#). At the time, Barrasso resisted permanent reauthorization and sought major [reforms](#) to the program.

*To view online [click here](#).*

[Back](#)

## Republicans look to squash state opposition to new pipelines [Back](#)

By Darius Dixon | 07/12/2018 05:44 PM EDT

Senate Republicans on Thursday accused states of misusing their power over water permits to block new natural gas pipelines, a trend the lawmakers said could force them to take action to aid the approval process.

The complaints aired by Sens. [Lisa Murkowski](#) (Alaska), [John Barrasso](#) (Wyo.) and [Steve Daines](#) (Mont.) echo the sharp words from Energy Secretary Rick Perry, who said last month that New York state officials were putting national security at risk by preventing a new pipeline from being built.

"States have abused the authority to block projects for political reasons, not really having anything to do with water quality at all," said Barrasso, chairman of the Senate Environment and Public Works Committee, at an Energy and Natural Resources hearing. He suggested that states' resistance could merit new legislation to curb their power.

Murkowski, who chairs the energy committee, and Daines agreed, saying the state hurdles were dampening energy industry growth.

"We've seen, repeatedly, the abuse of Section 401 of the Clean Water Act to stop sensible projects like the Millennium Bulk Terminal and natural gas pipelines, and Congress needs to take action on this," Daines said. Millennium Bulk is an export terminal project proposed for Longview, Wash., that Daines had hoped would become a conduit to ship Montana coal to Asian markets, but the state denied the project's 401 permit in September.

Pipeline advocates like Curtis Moffatt, an executive for Kinder Morgan, pressed the panel for action and suggested a menu of options, including calling on EPA to support their cause.

Although FERC has the ultimate responsibility for authorizing gas pipelines that cross state borders, project developers must also get a Clean Water Act Section 401 water quality certification from individual states.

If a state doesn't rule on a water permit request within a year, its right to issue the certification gets waived. That deadline is designed to prevent unnecessary project delays. Last year, FERC [overruled](#) New York's objection to Millennium Pipeline Co.'s Valley Lateral Project because the regulators argued that the state had taken too long.

But the energy industry was rattled by New York's decision in 2016, when the state Department of Environmental Conservation rejected a permit within the 12-month timeline. That rejection was upheld in circuit court and the Supreme Court declined to take it up on appeal.

Former FERC Chairman Joe Kelliher, now an executive at NextEra Energy, told lawmakers that writing new legislation to curb state power may be redundant with the rules already set out in the CWA. The issue, he said, is that state officials have gotten more creative in their efforts to stop fossil fuel projects.

"It would seem unnecessary to [have legislation] say, 'And they shouldn't include conditions that are completely divorced from water quality,'" he said at the hearing. Instead, lawmakers could urge the EPA to issue new guidance to the states to narrow the scope of their 401 certificate reviews.

Kelliher also suggested that state permit denials could be changed to incorporate an appeals process. That could address some industry concerns, but it would probably require Congress to change the Clean Water Act, a highly unlikely task.

Murkowski appeared open to any move to solve the problem that didn't require writing and passing new legislation.

"If you're looking for something to move the needle right now, legislation is probably your slowest alternative," she told reporters after Thursday's hearing. She said Thursday's hearing could be followed by meetings with or a letter to EPA pressing the agency to issue the type of guidance Kelliher suggested.

The pipeline rejections have angered DOE's Perry, who has suggested the federal government should consider curbing states' power over the energy infrastructure approvals.

Perry took several swipes at the Empire State's "obstructionist policies" during the World Gas Conference in Washington last month, warning of a "real reckoning" for politicians who blocked pipelines. However, legal experts involved with active pipeline applications and projects say there's no "legal hook" for DOE to intervene or override a state's position on permits.

But Perry's sentiment is shared by FERC chief of staff Anthony Pugliese who, earlier this week, told conservative news outlet Breitbart that Democratic politicians were "putting politics above the best interests of not only of consumers in their states but also national security" by blocking pipelines "for purely political reasons."

Although Pugliese isn't a voting member of the commission, one former FERC official worried that his comments would put the agency back in the sights of climate protesters who had routinely interrupted FERC meetings in recent years.

"Some of the active protest around the commission had died down a little bit, and I think it's going to ramp right back up," the former official said.

*To view online [click here](#).*

[Back](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 12/10/2018 10:49:01 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: The new deal in town — Why greens are turning away from a carbon tax — Bernie sticks with Budget

[View online version](#)

# MORNINGENERGY

12/10/2018 05:46 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

---

*With help from Daniel Lippman*

**THE NEW DEAL IN TOWN:** More than 1,000 young activists are set to descend on Capitol Hill today to put pressure on Democratic leaders to take aggressive steps to confront climate change and endorse Rep.-elect Alexandria Ocasio-Cortez's Select Committee on a Green New Deal. "We're going to be showing up in greater numbers than we ever have before to demand Democratic leaders support a Green New Deal," said Stephen O'Hanlon, a spokesperson for the Sunrise Movement, the environmental group organizing the demonstrations.

**The details:** Demonstrators plan to gather in the offices of senior House Democrats and incoming chairmen to urge them to back the creation of a select committee to focus on decarbonizing the U.S. grid and providing jobs guarantees, Pro's Anthony Adragna [reports](#). Organizers wouldn't say whether Ocasio-Cortez would join today's demonstrations, but the New York lawmaker did [attend](#) climate protests in House Minority Leader [Nancy Pelosi's](#) office earlier this year, which helped catapult the cause into the national spotlight.

**The count:** So far 22 members of Congress have signed on to support creating the select committee, including Rep. Gerry Connolly, a senior lawmaker and co-chair of the Sustainable Energy and Environment Coalition. "We must elevate the issue of climate change," Connolly said in a statement to POLITICO. "This is urgent and the clock is ticking. It is about future life of the planet. We need to take bold action now."

The young climate activists are also taking credit for the new emphasis that the Democratic leadership is putting on making climate action a corner piece of their 2019 agenda. "50 days ago, @TheDemocrats told us that climate wasn't on the agenda for 2019," the Sunrise Movement tweeted Friday. "Let's be clear: This happened because tens of thousands of us took bold action for a #GreenNewDeal."

**WELCOME TO MONDAY!** I'm your host, Kelsey Tamborrino. Cheniere's Khary Cauthen was first to correctly name Louisa Adams, the wife of John Quincy Adams, as the first, first lady born outside of the United States. She was born in England. Some White House trivia for today: How many fireplaces are there in the White House? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**WHY GREENS ARE TURNING AWAY FROM A CARBON TAX:** The month's fuel-tax riots in Paris are the latest example of the difficulty in getting people to support an energy tax to fight climate change, Pro's Zack Colman and Eric Wolff report. Case in point: reliably liberal Washington state shot down a November ballot measure proposing a carbon fee in the state. "If it can't pass in Washington state right now, I'm not sure that says that there's much of a pathway at this moment nationally," said Sen. Jeff Merkley.

**Democratic candidates this year** also gave carbon taxes little, if any, mention in their climate platforms, focusing instead on proposals like a phaseout of fossil fuels and investments in wind and solar power. Even some progressives who support a carbon tax, such as Ocasio-Cortez, are promoting it as just one possible element of a Green New Deal. Evan Weber, national political director with the Sunrise Movement, said a carbon tax is often framed "as the only way," but said it's been "proved time and time again to be not politically popular and we haven't even priced the policy at where economists say it needs to be." Read the story.

## ON THE HILL

**BERNIE STICKS WITH BUDGET:** Aides for Vermont Sen. Bernie Sanders made clear Friday the senator plans to keep his spot as top Democrat on the Budget Committee, dashing some

greens' hopes that he may step in to block Sen. Joe Manchin's likely ascension to the top spot on the Energy Committee.

**Sanders' aides said he'd keep** the Budget spot because it would play a bigger role in passing any future climate legislation that could be shielded from a filibuster, Anthony reports. "Most major climate bills would go through Finance or [Environment and Public Works]," Josh Miller-Lewis, communications director for Sanders, tweeted. "And if Democrats were to pass climate legislation through reconciliation, the Budget Committee would be much more important than [the Energy Committee]."

## INTERNATIONAL UPDATE

**THIS WEEK IN POLAND:** Though the United States intends to exit the Paris climate agreement, it will hold a side event at the COP24 summit in Katowice, Poland today, to press the case for fossil fuels and nuclear power. The panel, titled "U.S. Innovative Technologies Spur Economic Dynamism," follows a similar one the United States held last year, which protesters interrupted.

**Today's side event** will include Wells Griffith, President Donald Trump's adviser on global energy and climate issues; Steve Winberg, assistant Energy secretary for fossil energy; and Rich Powell, executive director of the ClearPath Foundation, among others, Axios reports. In a statement to Bloomberg Environment, the State Department said the event is meant to "showcase ways to use fossil fuels as cleanly and efficiently as possible, as well as the use of emission-free nuclear energy."



Environmental protesters take part in a Greenpeace-organised march to call for the political and economic reforms needed to combat climate change while the 24th summit of the United Nations on Climate Change takes place in the city on Dec. 8, 2018 in Katowice, Poland. (Photo by Martyn Aim/Getty Images)

**STRUGGLES CONTINUE IN KATOWICE:** The event comes amid contentious discussions at the climate summit, where global leaders are attempting to put pen to paper on the promises of the 2015 Paris agreement. There's a major battle raging on how to recognize the Paris agreement's more ambitious goal of limiting warming to 1.5 degrees Celsius — a level



scientists think might be safer — rather than the principal target of 2 degrees, POLITICO Europe's Kalina Oroschakoff and Paolo Tamma report.

**"On Saturday, delegates wrangled over one word** — whether to 'note' or to 'welcome' a recent U.N. scientific report on the negative consequences of going beyond 1.5 degrees. Saudi Arabia, Russia, Kuwait and the U.S. managed to block an effort by most other nations to 'welcome' the alarming report, fearing that implied accepting its conclusions," they report.

**ICYMI**, the president took another shot at French President Emmanuel Macron in a tweet Saturday, contending that the riots in Paris were a sign the Paris climate deal "wasn't working out so well for Paris." More on that here.

## INSIDE THE AGENCIES

**PERRY MEETS WITH QATAR MINISTER:** Over the weekend, Energy Secretary Rick Perry tweeted that he met with Qatar's Energy Minister Saad al-Kaabi, and that the pair "discussed our strategic relationship on energy cooperation as world leaders in natural gas and the need for free, fair, and diverse markets to promote energy diversity." Al-Kaabi last week announced Qatar would leave OPEC to instead focus its efforts on natural gas — largely seen as a vote of no confidence in the cartel's market strategy.

**ON TAP THIS WEEK:** The Trump administration will make moves this week to open up oil and gas drilling in Alaska. The Interior Department will auction oil and gas leases on 2.85 million acres of land in National Petroleum Reserve in Alaska on Wednesday, according to an earlier filing in the Federal Register. Bids on the acreage are due today.

**Also this week:** The Trump administration is expected to release this week its proposal defining which streams and wetlands are federally protected under the Clean Water Act.

**MARK YOUR CALENDAR:** EPA's Clean Air Scientific Advisory Committee will hold an in-person meeting in Crystal City on Wednesday and Thursday to talk about the agency's big science review — known as the Integrated Science Assessment — in the ongoing particulate matter National Ambient Air Quality Standards review.

## STATE NEWS

**NYISO RELEASES CARBON PRICE PLAN:** The New York Independent System Operator last week released its proposal for pricing carbon in the wholesale electricity market, Pro New York's Marie J. French reports. "The plan would charge emitting resources for their carbon

emissions, with revenues being returned to utilities and other load serving entities," Marie writes.

**CONSERVATIVES FILE ETHICS COMPLAINT IN NEW YORK:** A legal nonprofit with ties to three conservative think tanks filed an official ethics complaint against New York Attorney General Barbara Underwood over nonprofit-funded attorneys working on environmental issues in her office, Marie also reports. The complaint from the Government Justice Center focused on an attorney funded by a Michael Bloomberg-backed New York University fellowship program who worked on the state's lawsuit against Exxon Mobil.

## MOVERS AND SHAKERS

**Seth Whitehead** is now executive director at the Illinois Petroleum Resources Board. He previously was team lead for Energy in Depth, a project of the Independent Petroleum Association of America, and a director for FTI Consulting's Strategic Communications division.

**WEEKEND WEDDING:** Ryan Jackson, chief of staff at EPA and a Sen. Jim Inhofe staff and EPW alumnus, married Ashley Winfree, who works in banking, in a ceremony at the White-Meyer House with a reception at the Meridian House. Acting EPA Administrator Andrew Wheeler attended and made some remarks. Pic ... Another pic

## QUICK HITS

- "Judge denies TransCanada request for pre-construction work on Keystone XL pipeline," Lincoln Journal-Star.
- "Virginia files lawsuit against Mountain Valley Pipeline," Associated Press.
- "California prepares policy for coastal 'retreat,'" E&E News.
- "New governors plan aggressive climate steps," The Hill.
- "Coal is still king in Poland, where world leaders gather to confront 'climate catastrophe,'" Washington Post.
- "BlackRock, Vanguard, Axa raise coal holdings despite climate fears," Financial Times.

## HAPPENING THIS WEEK

8 a.m. — The American Geophysical Union holds 2018 Fall Meeting, 801 Mt. Vernon Place NW.

8:30 a.m. — Arizona State University's Consortium for Science, Policy and Outcomes seminar on "Bringing Public Perspectives into Energy Projects," 1800 I St. NW.

4 p.m. — Asian Americans in Energy, the Environment and Commerce discussion on "Energizing the Future — What Might the Future Electricity Grid Look Like?" 702 8th St. NW.

4:30 p.m. — Atlantic Council discussion on "American Research Leadership to Ensure a Safe Climate," 1030 15th Street NW.

7 p.m. — The National Academy of Sciences lecture on "No More Time to Waste: Moving Science to Action at Scales That Matter," focusing on environmental issues, 500 Fifth St. NW.

## TUESDAY

8 a.m. — The Copper Development Association Inc. summit on "Electric Vehicles: Navigating the Road Ahead," 14th St. and F St. NW.

8:30 a.m. — National Geographic and Microsoft discussion on "Artificial Intelligence for a more Sustainable Planet," including an announcement of the 11 recipients of the "AI for Earth Innovation" grant, 1145 17th St. NW.

9 a.m. — Inter-American Dialogue discussion on "What Does the New U.S. Congress Mean for Latin America and Energy?" 529 14th Street NW.

10 a.m. — House Energy and Commerce Environment Subcommittee hearing on "Discussion Draft: The 21st Century Transportation Fuels Act," 2123 Rayburn.

10 a.m. — The United States Energy Association briefing on "China's Global Reach, focusing on China's rise as a major force in emerging energy and resource markets," 1300 Pennsylvania Ave. NW.

Noon — Press conference and rally to call for immediate action to protect the Arctic Refuge, House Triangle.

3:30 p.m. — The Alliance to Save Energy briefing on "Utility and Energy Service Company Collaboration on Systems-Efficiency Programs," 188 Russell.

**WEDNESDAY**

10 a.m. — Senate Energy and Natural Resources National Parks Subcommittee legislative hearing, 366 Dirksen.

10:15 a.m. — House Energy and Commerce Energy Subcommittee hearing on "Public Private Partnerships for Federal Energy Management," 2322 Rayburn.

2 p.m. — Wilson Center discussion on "Securing the Third Pole: Glaciers, Snowpacks, and Water Vulnerability in High Asia," 1300 Pennsylvania Ave. NW.

**THURSDAY**

8:30 a.m. — The EcoAgriculture Partners discussion on "Agricultural Landscapes and Climate Change in the U.S.: Recent Policy and Program Developments," 2121 K St. NW.

9 a.m. — Great Plains Institute and Duke University's Nicholas Institute for Environmental Policy Solutions expert workshop exploring recent energy and environmental policy developments in the PJM region and the potential challenges in 2019, 700 F St. NW.

10 a.m. — The Atlantic Council discussion with Barbara Humpton, CEO of Siemens USA, on new technologies that can reshape global energy systems and geopolitics, 1030 15th St. NW.

12:30 p.m. — The Arab Gulf States Institute in Washington discussion on "Tackling Climate Change — Are the Gulf Arab States Doing Enough?" 1050 Connecticut Ave. NW.

2 p.m. — The Bipartisan Policy Center webinar on "How States Can Create a More Efficient Early Care and Education System."

3:30 p.m. — Atlantic Council discussion on "U.S. Force Posture in North Central Europe: Adapting for the Strategic Realities of Today and Tomorrow," 1030 15th St. NW.

4 p.m. — Securing America's Future Energy book discussion on "Saudi America: The Truth About Fracking and How It's Changing the World," 529 14th St. NW.

5 p.m. — The Institute for Policy Studies webinar on "NAFTA 2.0: Fix it or Nix it."

**FRIDAY**

10 a.m. — The Woodrow Wilson Center Kennan Institute for Advanced Russian Studies discussion on "Electricity Market Reforms in Ukraine: Challenges and Opportunities," 1300 Pennsylvania Ave. NW.

10 a.m. — Bipartisan Policy Center's Dole Leadership Series with Vicki Hollub, president and CEO of Occidental Petroleum, 1225 Eye St. NW.

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 11/17/2018 5:58:18 PM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** EPA: Wheeler will remain at helm while awaiting confirmation

By Alex Guillén

11/17/2018 12:56 PM EDT

Andrew Wheeler can continue to serve as the acting EPA administrator while awaiting confirmation to the agency's top post, EPA spokesman John Konkus said today.

As the confirmed deputy administrator, Wheeler serves as acting administrator under Reorganization Plan No. 3 of 1970, Richard Nixon's presidential directive that created EPA.

"Mr. Wheeler can continue to serve as the Acting Administrator because (1) he currently serves as the 'first assistant' to the Administrator position, (2) the first assistant position is one that itself requires appointment after Senate advice and consent," Konkus said in a statement.

Some legal experts had speculated that the Federal Vacancies Reform Act of 1998 meant that Wheeler would have to return to being deputy administrator while awaiting confirmation to the administrator post.

Wheeler is not the first acting administrator to be nominated to the position permanently.

Lee Thomas, who was brought in to run the Superfund program after the resignation of controversial EPA chief Anne Gorsuch Burford, served as acting administrator for a month in early 1985 before going on to serve almost four years as the confirmed administrator during Ronald Reagan's second term.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2018/11/epa-says-wheeler-will-remain-at-helm-during-new-nomination-2217851>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

## POLITICOPRO

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicopro.com](http://politicopro.com).

---

This email was sent to gunasekara.mandy@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---



Message

---

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 10/23/2018 8:59:05 PM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Trump suggests Wheeler could be permanent EPA chief

By Zack Colman

10/23/2018 04:57 PM EDT

President Donald Trump hinted at a White House event today he might seek to make acting EPA Administrator Andrew Wheeler's promotion to the agency's top job permanent.

"He's acting, but he's doing well, right? So maybe he won't be so acting for so long," Trump said as he brought Wheeler onstage at the White House State Leadership Day Conference.

Officials appointed in an "acting" capacity are typically limited to 210 days in the role, though there maybe exemptions that could allow Wheeler to hold the job longer. But he would need to vacate the position if he is officially nominated as the successor to former Administrator Scott Pruitt, who resigned in July amid numerous scandals and investigations.

Wheeler has largely carried out the same policies Pruitt initiated and pledged to maintain the continue Trump regulatory rollbacks.

At Monday night's rally in Houston, Trump called on Wheeler as he relayed complaints he heard from industry.

"Big Oil — they can't get ships into harbors because they can't get permits to drain," Trump said. "I'm going to ask Andrew to get that done right away."

That activity is largely handled by the U.S. Army Corps of Engineers.

Earlier in the event, Trump praised a memorandum he signed last week to expedite environmental reviews freeing water for California farmers, a move aimed at boosting several House Republicans in tight re-election races. It was opposed by environmental groups and tribes.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2018/10/trump-suggests-wheeler-could-be-permanent-epa-chief-2114410>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

## POLITICOPRO

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicopro.com](https://politicopro.com).



---

This email was sent to gunasekara.mandy@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

Message

---

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 12/6/2018 9:46:59 PM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Ex-EPA chief Pruitt got big legal fund donation from Wisconsin billionaire

By Zack Colman

12/06/2018 04:45 PM EDT

Former EPA Administrator Scott Pruitt, who left the agency in July under a cloud of scandals, received \$50,000 from a wealthy conservative businesswoman for his legal defense fund, according to his final financial disclosure report released Thursday.

The donor, self-made billionaire Diane Hendricks of Beloit, Wis., was also a major donor to President Donald Trump's campaign, which named her one of its economic advisers, and she contributed heavily to Republican Wisconsin Gov. Scott Walker's campaigns.

EPA ethics official Justina Fugh wrote in the filing that Pruitt did not seek advice from the agency before accepting Hendricks' contribution, which was "believed to be in cash."

Pruitt faced a number of allegations before he resigned in July, and he started a legal defense fund to raise money in the months before his departure. The filing showed that he owed between \$115,000 and \$300,000 in legal bills, although that was the same amount from 2017 and it is unclear how much carried over to the most recent filing.

The filing also showed Pruitt sold off between \$49,000 and \$210,000 in holdings in the first few months of 2018. Pruitt had expressed financial concerns about maintaining a home in Oklahoma while also renting a residence in the Eastern Market neighborhood of Washington, D.C.

Pruitt's wife, Marlyn, reported income of \$54,166 through consulting via an LLC she runs. The former EPA boss had faced criticism for what was perceived to be using his office to obtain a Chick-fil-A franchise for his wife.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2018/12/ex-epa-chief-pruitt-got-big-legal-fund-donation-from-wisconsin-billionaire-2321056>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

## POLITICOPRO

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicopro.com](https://subscriber.politicopro.com).

---

This email was sent to gunasekara.mandy@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 11/16/2018 10:48:59 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by Chevron: Democrats divided on next steps — Trump heads to California — Extenders likely

[View online version](#)

# MORNINGENERGY

11/16/2018 05:46 AM EDT

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com); [@kelseytam](#))

**PROGRAMMING NOTE:** Morning Energy will not publish on Thursday, Nov. 22, and Friday, Nov. 23. Our next newsletter will publish on Monday, Nov. 26. Please continue to follow Pro Energy issues [here](#).

*With help from Anthony Adragna*

**'WE CAN'T GO TOO EXTREME':** Turf wars are intensifying on House Democrats' side of the Capitol as lawmakers itching to grab chairmen's gavels urge against pushing the party too far to the left on climate change. Veteran Democrats say they want to address the matter, but they take issue with the tactics of Rep.-elect Alexandria Ocasio-Cortez and other newly elected Democrats who say the party needs to come up with a "Green New Deal," Pro's Anthony Adragna and Zack Colman report this morning. "The idea that in five years or 10 years we're not going to consume any more fossil fuels is technologically impossible," said Rep. Peter DeFazio, the likely chairman of the Transportation Committee. "We can have grand goals but let's be realistic about how we get there."

Ocasio-Cortez is working with other progressive members and climate activists to expand the scope of a select committee on climate change that Nancy Pelosi plans to relaunch. The two factions were on display during a closed-door meeting of the chamber's Democrats Thursday, where sources in the room told POLITICO New Jersey Democrat Frank Pallone pushed back over the creation of a special panel on the issue. And he isn't the only one growing wary.

Other lawmakers tell Anthony and Zack they are looking for ways to harness the progressive energy within the existing congressional structures so everyone gets on the same page. Texas Rep. Henry Cuellar worried a climate change committee and goals like 100 percent renewable energy could turn off voters in swing districts at a time when Democrats would be unable to do more than pass "messaging" bills. "A lot of the Republican seats that we won — a lot of them are moderate, conservative Democrats, and we have to keep that in mind. Those are the people I'm concerned about," he said. "We can't go too extreme." Read the story.

**HAPPY FRIDAY!** I'm your host, Kelsey Tamborrino. Ethan Tremblay of DNV GL was the first to correctly ID Margaret Chase Smith as the first woman elected to both chambers of Congress. For today: Since 1915, the Senate has held how many all-night sessions? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**TRUMP GOES WEST:** President Donald Trump heads to California on Saturday to meet with people affected by the wildfires. The White House said it was still arranging details of the trip, but the visit follows a similar one from FEMA Administrator Brock Long and Interior Secretary Ryan Zinke. As of Thursday night, at least 63 people were killed in the Camp Fire and the number of people missing increased to 631, The Washington Post reports.

## ON THE HILL

**TAKING SHAPE:** Climate Solutions Caucus co-founder Ted Deutch told reporters Thursday he's still figuring out how to reconstitute the beleaguered caucus, which lost a massive chunk of its Republican members in the midterms. "We're taking a look at the caucus as a whole, how to reconstitute it, perhaps some standards for membership, but it hasn't been worked out yet," he said. Deutch declined to discuss what those membership standards might entail and said he hadn't yet reached out to Reps. Brian Fitzpatrick or Francis Rooney, seen as potential Republican leaders for the panel.

**EXTENDERS LIKELY:** It's looking like the numerous expired tax incentives known as extenders will get renewed during the lame-duck session, though no firm decision has been made, Senate Finance Chairman [Orrin Hatch](#) cautioned Thursday. "I'm not sure, but there usually is an extenders package, so we'll probably have extenders," Hatch [told Pro Tax's Aaron Lorenzo](#). The provisions, which offer tax breaks for a range of interests including renewable energy, [received support](#) earlier this week from energy and trade companies looking to renew expired energy efficiency-related incentives. But extenders [drew opposition](#) from Koch Industries, which called on Congress to end tax extenders once and for all.

**ON TO THE SENATE:** The president [sent](#) John Abizaid's nomination to be ambassador of Saudi Arabia to the Senate on Thursday. The nomination of Abizaid, a retired four-star general who oversaw U.S. Central Command, comes amid increasing tensions with the nation, which is also a major producer of oil. The ambassador position had been vacant for nearly two years before Trump tapped Abizaid [earlier this week](#).

## AROUND THE AGENCIES

**FOR YOUR RADAR:** Federal agencies will detail a series of new cybersecurity regulations in [documents](#) that [will be posted](#) to the Federal Register today, Pro Cybersecurity's Eric Geller [reports](#). Among the rules, the Nuclear Regulatory Commission is [proposing](#) to create cybersecurity requirements for companies that apply to produce nuclear fuel for commercial and government use.

**\*\* A message from Chevron:** America's STEM workforce needs a boost to catch up with America's economy. A 2012 report shows that we need 1 million more STEM workers by 2022 to keep up with the STEM economy. See how Chevron is partnering with organizations that support the next generation of STEM professionals. [Learn More.](#) \*\*

**TAKE A GLANCE!** The Energy Department's Office of Nuclear Energy is looking at what tax incentives and loan guarantees could do for small modular reactors. The federal government gave out \$51 billion in incentives over 10 years to deploy renewable technologies, according to [a report](#) conducted by Kutak Rock and Scully Capital and released Thursday. The report, conducted for the nuclear energy office, estimated that about \$10 billion in incentives would be needed to deploy 6 gigawatts of SMR capacity by 2035.

**WHEELER MEETING DEBRIEF:** A group of Illinois Democrats — Sens. [Dick Durbin](#) and [Tammy Duckworth](#), along with Reps. [Bill Foster](#) and [Brad Schneider](#) — [said](#) they met with acting EPA Administrator Andrew Wheeler on Thursday on the cancer risks caused by ethylene oxide emissions in the state. A [recent](#) story from the Chicago Tribune reported that EPA and state officials knew about the risks for months before warning the public, claims

the agency has disputed. "We made it clear to Acting Administrator Wheeler today that the residents of Lake and DuPage Counties deserve much better from his agency, and that we won't stand for inaction to protect the public health of Illinoisans," Durbin said in a statement.

## MAIL CALL

**DEMOCRATS QUESTION EPA PANELS:** Democratic Sens. Tom Carper and Sheldon Whitehouse led a letter to EPA on Thursday asking for further information on the recent dismissal and appointment of members at the Clean Air Scientific Advisory Committee. The letter also requests information about the agency's decision to disband its Particulate Matter Review Panel and the Ozone Review Panel, as well as EPA's recent nominations of 174 scientists to its Science Advisory Board, several of whom the senators call "problematic nominees."

**Related:** Organizations including the Environmental Protection Network, Union of Concerned Scientists, Project on Government Oversight and Greenpeace published a joint report Thursday on threats to science under the Trump administration, called "Federal Agencies: How Congress Can Help."

**A WOLF IN SHEEP'S CLOTHING:** The League of Conservation Voters is warning against passage of H.R. 6784 (115), which would remove the gray wolf as an endangered species in the contiguous 48 states under the Endangered Species Act — a move that under the legislation would not be subject to judicial review. The advocacy group sent a letter to House lawmakers Thursday urging them to oppose the bill from Republican Rep. Sean Duffy. The House is expected to vote on the measure this morning.

**MASS. DEMS CALL FOR DISASTER DECLARATION:** Democrats in Massachusetts, including Sens. Ed Markey and Elizabeth Warren, sent a letter Thursday to Trump supporting a major disaster declaration following the Merrimack Valley natural gas explosions on Sept. 13. "These communities and the Commonwealth have incurred significant disaster response and recovery costs as a result of the short- and long-term problems associated with the Columbia Gas pipeline over-pressurization," they wrote.

**ACE FAILS DEM'S TEST:** More than 100 House Democrats from across the Congressional Black Caucus, Congressional Hispanic Caucus, Congressional Progressive Caucus, Congressional Asian Pacific American Caucus and the House Sustainable Energy & Environment Coalition urged EPA to reverse course on its rewrite of the Obama-era Clean Power Plan. They wrote that the replacement, the Affordable Clean Energy rule "will

undoubtedly have severe consequences for the health and well-being of the communities we represent, many of whom have long endured profound environmental injustice."

## MOVERS AND SHAKERS

**Bridget Sobek Dobyan** joined the Alliance to Save Energy as manager of government affairs, the alliance announced Thursday. Dobyan previously served as legislative director for Michigan Rep. Dave Trott, focusing on energy, environment, tax and health policy.

**Former Indiana Democratic Rep. Phil Sharp** joined the ecoAmerica's board of directors as chairman, the nonprofit announced Thursday. Outgoing Chairman Frank Loy will remain on the board.

**American Public Power Association** President and CEO Sue Kelly will retire at the end of 2019. Kelly has been with the association since 2004, serving as president and CEO since 2014.

**IN MEMORY OF:** Jim Hansen, former Utah lawmaker and chairman of the House Natural Resources Committee, died this week at the age of 86. Hansen was a co-founder of the Congressional Western Caucus, whose members issued statements in remembrance on Thursday. "The Western Caucus will forever be indebted" to Hansen's leadership and service, Caucus Chairman Paul Gosar said. "His memory and legacy will always have a lasting impact on the important work that we do as a Caucus," Gosar added.

## QUICK HITS

- "California air is so bad it's blotting out the sun," Bloomberg.
- "No penalties for 90 percent of pipeline blasts," E&E News.
- "Head of NPS climate change adaptation program resigns," The Hill.
- "'Team Oil': Ex-oil worker seeks to educate legislators on climate change," The Guardian.
- "In Yellowstone National Park, warming has brought rapid changes," The New York Times.

## HAPPENING TODAY



Noon — The American Council on Renewable Energy, the Solar Energy Industries Association and Energy Innovation discussion on "What's Next for Clean Energy Policy after the Midterms?" 1601 K Street NW.

Noon — National Capital Area Chapter of the United States Association for Energy Economics luncheon on cybersecurity and the electric grid, 618 H St NW.

2 p.m. — The U.S. Chamber of Commerce conference on "Critical Infrastructure Risk Management: A Path Forward," 1615 H Street NW.

### THAT'S ALL FOR ME!

**\*\* A message from Chevron:** America needs more STEM professionals. According to a 2012 report, we'll have to increase the number of STEM college graduates by 34% annually just to keep up with the STEM economy. Early STEM exposure is critical to engaging and inspiring students long term. Chevron is partnering with organizations and local communities to help put more middle and high school students on a path toward STEM degrees. Learn More. \*\*

[View online](#)

You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>

---

POLITICOPRO

---

This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

## Message

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 10/1/2018 9:50:15 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy, presented by Growth Energy: House climate caucus set for major midterm rewrite — NAFTA 2.0 lives? — Etzel out over 'allegations'

By Darius Dixon | 10/01/2018 05:47 AM EDT

*With help from Alex Guillén and Daniel Lippman*

**MIDTERMS SET TO SHAKE UP THE HOUSE CLIMATE CAUCUS:** A "blue wave" in this fall's midterm elections could decimate a small but growing group of Republicans who are members of the House Climate Solutions Caucus — and many climate change activists aren't exactly losing any sleep over that, Pro's Anthony Adragna reports. Advocates for climate action have hoped for the bipartisan group would prod Congress to address greenhouse gas pollution and the environmental catastrophes that scientists say will worsen in the coming decades.

Instead, many activists say the caucus has been an ineffective tool that only provides political cover for lawmakers facing increasing pressure from voters. The caucus has been unsurprisingly short on potential policy solutions and has set a fairly low bar for patting itself on the back: it considers one of its biggest achievements to be voting down an amendment that would have blocked a study of the national security impacts of climate change.

**Eight of the Republican members are leaving Congress**, while another 19 are in close races rated "Lean Republican" or worse by the Cook Political Report. A serious congressional overhaul could fell nearly a third of the 88 caucus members but, climate advocates say, it may pressure the remaining members more dedicated to getting results. "The caucus may get smaller if there's a large wave — and maybe some that have been seeking cover will be found out — but others [that survive] are going to be hardened and stronger and more committed I think," said Bob Inglis, a former South Carolina Republican lawmaker who now leads republicEn, which advocates for free-market solutions to climate change. "I'll take people of strong commitment over the wishy washy any day of the week."

**EPA'S MERCURY ROLLBACK ON THE MOVE:** The Trump administration has completed a detailed legal proposal to dramatically weaken the Obama administration's 2012 mercury rule for power plants, The New York Times reports, citing a person who has seen the document but is not authorized to speak about it publicly. The proposal is expected to head to the White House in "the coming days," the Times says. The plan would not eliminate the mercury regulation entirely, but it will setup a new legal justification for the Trump administration to weaken it, and set the stage for repealing a rule that contributed to the closure of many old coal-fired power plants. Pro readers have already read about many of the big ticket items, here and here.

**NAFTA LIVES?** Trade ministers from the U.S., Mexico and Canada have reached an agreement to revamp the North American Free Trade Agreement, three sources briefed on the matter said Sunday night, according to our Pro Trade team. The preliminary deal is a major step toward completing one of Trump's signature campaign promises and gives the president a concrete policy win to tout on the campaign trail this fall. It also sets the stage for what is sure to be a high-stakes fight to get the agreement passed by Congress before it can become law. Mexico is eager to have President Enrique Peña Nieto sign the deal before his successor takes over Dec. 1. The New York Times also has some details about the late-breaking deal.

**WELCOME TO MONDAY!** I'm your guest host, Darius Dixon. A bunch of you answered Friday's trivia question correctly: Utah Republican Reed Smoot, an apostle in the Church of Jesus Christ of Latter-day Saints was the first Mormon to serve in the Senate. He was seated in February 1903, but hearings over whether to evict him because of the LDS Church's practice of polygamy — which was officially abandoned in 1890 — continued until a vote in 1907 that failed to reach the two-thirds majority needed to expel him. First across the finish line with the right answer was Kirk Johnson with the National Rural Electric Cooperative Association.

**Now on to today's question:** Sticking with Senate history, who was the first woman elected to the chamber *without* first serving in the House or filling an unfinished term, and what year was she elected? Send your tips, energy gossip and comments to [ddixon@politico.com](mailto:ddixon@politico.com), or follow us on Twitter [@dariusss](https://twitter.com/dariusss), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**WHAT KAVANAUGH IS MISSING:** The very first set of oral arguments for the new term of the Supreme Court that begins today involves the Interior Department. *Weyerhaeuser Company v. Fish and Wildlife Service*, involves a challenge to the reach of the Endangered Species Act at a time when the Interior Department is taking action to scale back certain parts of the law. At issue is the Fish and Wildlife Service's 2012 designation of critical habitat for the endangered dusky gopher frog, a wart-covered amphibian that's believed to number less than 135 adults, most living around one pond in Mississippi. But FWS also listed 1,544 acres of the frogs' historic habitat in Louisiana, where it hasn't been spotted since 1965, but which FWS says will be important if the species is going to recover.

**Timber giant Weyerhaeuser** and other tenants of the affected Louisiana lands argue that the frog cannot return there because the conditions won't allow it to reproduce, and in the meantime, the company could suffer up to \$34 million in lost development opportunities. FWS disagreed, and a split three-judge panel on the 5th Circuit Court of Appeals upheld the agency's decision. The Trump administration is defending the decision, putting environmentalists in the unusual position of aligning with this White House. Refresh yourself with Alex's energy-SCOTUS [preview](#). Oral arguments start shortly after 10 a.m.

**\*\* A message from America's ethanol producers and farm supporters at Growth Energy:** Lifting outdated regulations on E15, a 15 percent ethanol fuel blend, could generate two billion bushels of additional demand for American corn and deliver cleaner, more affordable options to consumers at the fuel pump. Learn why President Trump pledged to make it happen at <https://e15now.com> \*\*

**EPA: ETZEL OUSTED OVER 'ALLEGATIONS':** The EPA's Office of Children's Health Protection director, Ruth Etzel, a pediatrician and public health specialist, was removed from her post Tuesday, the New York Times first reported last week. But on Friday, [EPA followed up with us](#), saying she "was placed on leave to give the Agency the opportunity to review allegations about the Director's leadership of the office," according to a statement from EPA Chief of Staff Ryan Jackson. Etzel had headed the children's health office since 2015.

**Well, let's not make this awkward:** Today is Children's Health Day. EPA is holding an event at agency headquarters to celebrate, sans children's health director. Acting Administrator Andrew Wheeler, agency staff, the National Environmental Education Foundation, Diesel Technology Forum and the National School Transportation Association are slated to attend. The shindig starts around 11:40 a.m.

**EPA TO GET EARFUL ON REPLACEMENT CARBON RULE:** EPA is hosting its one and only public hearing today on its proposed replacement carbon rule for power plants, aka the Affordable Clean Energy rule. (In contrast, the Obama administration held four two-day hearings on its Clean Power Plan proposal in Washington, Pittsburgh, Atlanta and Denver.) Among the industry names on the [speakers list](#) are National Rural Electric Cooperative Association chief Jim Matheson and representatives from the American Petroleum Institute, Murray Energy and the National Mining Association. But the overwhelming number of voices, as often happens at EPA hearings, are environmental and public health advocates. EPA has said it plans to finish

this rule in the "first part" of 2019, although it's not clear what that means. The agency will also have to ensure it responds to the myriad comments environmentalists are expected to submit.

**Refresher:** The proposal identifies a menu of technologies that states can require coal-fired power plants within their borders to use, if they choose to do anything at all, a major step back from the Obama administration's CPP. While it is expected to secure a small fraction of the emissions reductions the CPP would have, EPA says market trends that mirror the CPP's trajectory mean the electric sector will reach about the same carbon emissions savings. Also contained in the rule is language allowing any power plants required to install upgrades to bypass a key permitting system meant to prevent backsliding on local air quality, known as New Source Review, or NSR. EPA argued it was unfair to force utilities to go through NSR permitting, a potentially time-consuming and costly process, if the upgrades were being foisted on them.

**If you go:** People's Action and other groups say they have organized at least 300 protesters for an event outside the building as the hearing is starting. The hearing is at the Ralph Metcalfe Federal Building in Chicago and runs from 9 a.m. to 8 a.m. local time. Comments will still be accepted through Oct. 31.

**THINGS MUSK SETTLE DOWN:** Elon Musk, the colorful and much-talked-about head of Tesla Motors, has agreed to pony up \$20 million and step down from the company's chairmanship for at least three years as part a settlement with the SEC. Tesla itself will have to pay another \$20 million under the deal, which needs to be ratified in court. The SEC came after Musk for his August tweet boasting that he would take the company private at \$420 a share and that he had secured funding. Musk knew that the potential transaction was "uncertain and subject to numerous contingencies" and that his statements "lacked an adequate basis in fact," the SEC said. Tesla, where Musk can stay on as CEO, saw its stock price jump six percent after the "misleading tweets." The company has also agreed to appoint two independent board members and put in place additional controls and procedures to oversee Musk's communication with investors.

#### **CALIFORNIA AFFIRMS AUTO RULES, ASKS CARMAKERS TO SHARE COMPLIANCE PLANS:**

The California Air Resources Board on Friday approved a rule warning automakers that they will have to meet the current greenhouse gas emissions standards in California and its allied states, even after the Trump administration rolls back the federal rules. The so-called "deemed to comply" rule is the state's way of pushing back on the Trump administration, which proposed revoking California's authority to set its own stricter standards. CARB also sent letters to automakers asking them to share their compliance plans up through model year 2025 cars, including information on product plans, expected performance levels and sales expectations. The data demand could put automakers in the awkward position of explaining how they plan to follow rules the federal government says are too difficult to meet.

**Car talks 'break down':** The letter makes no bones about the chilly relations between CARB and the Trump White House. "CARB has been able to set robust vehicle standards due to highly effective technical collaboration and joint negotiations with both our Federal partners as well as with the regulated industry," the letter said. "That collaboration broke down with the most recent federal proposals, but we are prepared to discuss ways to further the conversation." The letter adds that CARB "is also prepared to operate separate programs if necessary, as the law allows."

**OIL-SPIRACY:** Anthony Mace, the former CEO of SBM Offshore, N.V., a Dutch oil services company, and Robert Zubiate, a former sales and marketing executive at SBM USA, were sentenced Friday for their involvement in what the Justice Department said was an international bribery conspiracy. Mace, a Briton, was sentenced to 36 months in prison and subject to a \$150,000 fine, while Zubiate was sentenced to serve 30 months in prison and a fine of \$50,000. The two men "played key roles in a massive bribery scheme that involved the payment of millions of dollars to public officials in exchange for lucrative oil-services contracts," Assistant Attorney General Brian Benczkowski said in a statement Friday.

**REST IN LWCF:** The Land and Water Conservation Fund officially expired on Sunday. Congress has tussled over reauthorizing the program for more than a year but the stars never aligned well enough to keep the program going. And everyone from the League of Conservation Voters to the Center for Western Priorities to the Coalition to Protect America's National Parks have made sure ME didn't forget. But the show's not over. LWCF, which uses revenue from offshore oil and gas drilling to protect and preserve national parks, forests and recreation areas, has started to make some real bipartisan progress. The Senate Energy and Natural Resources Committee is scheduled to mark up an LWCF reauthorization bill on Tuesday, and last month House Natural Resources Chairman [Rob Bishop](#) and Rep. [Raúl Grijalva](#), Bishop's Democratic counterpart, unveiled legislation to keep the program going. That doesn't mean it'll be easy but an inch is an inch.

**CANCELLATION CONSTERNATION:** Sens. [Tammy Duckworth](#) and [Dick Durbin](#) are fed up with being stood up. The two Illinois Democrats are pressing acting EPA Administrator Andrew Wheeler for a meeting after the agency's Region 5 chief, Cathy Stepp, apparently canceled on them for the third time last week. "While we understand exigent circumstances may arise that result in unforeseen and uncontrollable schedule changes, Ms. Stepp's repeated pattern of cancellation with little notice or explanation is not acceptable to our constituents," the lawmakers wrote. They've asked for a response from Wheeler sometime today.

**WEEKEND WEDDING — "Morissa Sobelson, Jamie Henn":** [New York Times](#): "Bill McKibben, who received a one-day marriage designation from Massachusetts, officiated, with Sue Halpern assisting with the Jewish elements of the ceremony. The bride, 31, is a doctoral candidate in public health at Harvard and an administrative fellow at Intermountain Healthcare ... The groom, 34, ... [is] the strategic communications director for 350.org, an international climate campaign he co-founded that is focused on decreasing the use of fossil fuels, in New York."

## QUICK HITS

- Documents revealed in Blankenship bid to have conviction tossed. [Charleston Gazette-Mail](#).
- Stephen Brown launches consulting shop. [E&E News](#).
- Canada's Husky Energy offers to buy MEG Energy in \$5 billion deal. [Reuters](#).
- Saudi Arabia tables \$200 billion solar-energy plant with SoftBank. [MarketWatch](#).

**That's all for ME!** It's going to be warm today: sunny with a high of 82 degrees.

## HAPPENING THIS WEEK

### MONDAY

No events.

### TUESDAY

10 a.m. — Senate Energy and Natural Resources Committee markup to consider "pending legislation," including an LWCF reauthorization measure. 366 Dirksen.

### WEDNESDAY

2:15 p.m. — Senate Environment and Public Works Committee hearing on the "Oversight of the Environmental Protection Agency's Implementation of Sound and Transparent Science in Regulation." Dirksen 406.

## THURSDAY

8 a.m. — Energy in America: A Conversation with Senator Steve Daines. Center for Strategic & International Studies, 1616 Rhode Island Ave NW.

12 p.m. — American Waste: Paradigm Shifting Toward a Circular Economy. Environmental Law Institute, 1730 M Street, NW, Suite 700.

## FRIDAY

No events.

**\*\* A message from America's ethanol producers and farm supporters at Growth Energy:** President Trump said EPA rules against selling higher ethanol blends year-round are "unnecessary and ridiculous." Farmers, consumers, and retailers agree. Led by Growth Energy, rural champions are pushing to lift outdated EPA regulations on E15, boost farm income, and support manufacturing jobs at more than 200 biofuel plants across the heartland. Learn more at <https://e15now.com> \*\*

*To view online:*

<https://subscriber.politicopro.com/newsletters/morning-energy/2018/10/house-climate-caucus-set-for-major-midterm-rewrite-357587>

## Stories from POLITICO Pro

### Will a blue wave wipe out climate caucus Republicans? [Back](#)

By Anthony Adragna | 10/01/2018 05:00 AM EDT

A blue wave in this fall's midterm elections could decimate the ranks of Republicans who are members of the House Climate Solutions Caucus — and many climate change activists don't think that would be bad thing.

Advocates for climate action had hoped the 88-member bipartisan group would prod Congress to address greenhouse gas pollution and the environmental catastrophes that scientists say will worsen in the coming decades. Instead, many activists say the caucus has been an ineffective tool that only provides political cover for lawmakers facing increasing pressure from voters.

"The caucus may get smaller if there's a large wave, and maybe some that have been seeking cover will be found out. But others [who survive] are going to be hardened and stronger and more committed I think," said Bob Inglis, a former South Carolina Republican lawmaker who now leads republicEn, which advocates for free-market solutions to climate change. "I'll take people of strong commitment over the wishy washy any day of the week."

Eight Republican members of the caucus are retiring or leaving Congress, while another 19 are in close races currently rated "Lean Republican" or worse by the Cook Political Report. Fifteen other lawmakers are in races rated "Likely Republican" or safe. (Two of the GOP members are non-voting delegates).

"It makes sense that some vulnerable members of the House would be in the Climate Solutions Caucus, because they might be interested in ways to move toward the middle on certain issues," Kyle Kondik, managing editor of Sabato's Crystal Ball, a nonpartisan newsletter produced by the University of Virginia's Center for Politics, said. "So one could see this group significantly reduced in the next election — perhaps close to halved if you include the retirees in the total and the GOP has a bad night."

Republicans dedicated to addressing climate change and many green groups think even a condensed group would maintain its importance and show other GOP candidates they can weather the political pressure without abandoning their support for climate change policies.

"This is a long-term project to get the Congress to a point where there's a bipartisan consensus on climate policy," Rep. Carlos Curbelo (R-Fla.), one of the founders of caucus, told POLITICO. "Especially if the House is evenly divided [or] even if Democrats have a majority, this group's going to be very important because that means they will likely need some Republicans to get things done."

The caucus has faced steady criticism as its numbers have grown that it accomplishes little and merely provides political cover for endangered Republicans who haven't supported measures to tackle climate change. Just four GOP members of the group — retiring Rep. Ileana Ros-Lehtinen (Fla.), Brian Fitzpatrick (Pa.), Mia Love (Utah) and Curbelo — opposed an anti-carbon tax resolution in June. Fitzpatrick was the lone member of the group to co-sponsor a carbon tax proposal from Curbelo H.R. 6463 (115).

Some new additions have drawn scoffs, like Rep. Matt Gaetz (R-Fla.), who offered legislation eliminating the EPA earlier this Congress, and Rep. Fred Upton (R-Mich.), the former chairman of the Energy and Commerce Committee who once proposed blocking EPA's ability to regulate greenhouse gases. Unsurprisingly there has been little agreement on potential policy solutions among members of the group, which cites as one of its biggest achievements voting down an amendment that would have blocked a study on the national security impacts of climate change.

Environmental groups agree on the need for bipartisan efforts to craft durable climate policies, but many are hoping the election will be an opportunity to weed out those lawmakers that have used the caucus simply as political cover.

"The reality is the current leadership in the U.S. House and U.S. Senate is beholden to corporate polluters and the best way to fight climate change is to elect a new, pro-environment Congress this November and a new president come 2020," said Sara Chieffo, vice president for government affairs at the League of Conservation Voters.

Some GOP caucus members have been touting their membership in closely-watched races. Love touted her work in the caucus in a controversial mailer, while Rep. Mike Coffman (Colo.) cited his participation to Colorado Politics in responding to an attack from LCV. Critics say they're citing the group merely to "greenwash" their anti-environmental voting records.

Major groups like LCV have so far stayed out of some races, like Curbelo's and Fitzpatrick's. And those closely watching those races argue the GOP candidates' advocacy on climate change and clean energy could help tip the scales in a tough political environment for Republicans.

"I would argue this forward-looking approach on climate change and clean energy has actually helped them be competitive in a tough political environment," James Dozier, executive director of center-right Citizens for Responsible Energy Solutions, said. "It'll be on the shoulders of Republicans in the caucus returning next cycle and the Democrats returning next cycle to double down and keep the momentum moving."

Thirteen Republican members of the caucus are currently in races rated tossup or worse: Reps. Coffman, John J. Faso (N.Y.), Claudia Tenney (N.Y.), Scott W. Taylor (Va.), Leonard Lance (N.J.), Steve Knight (Calif.), Mimi Walters (Calif.), Peter Roskam (Ill.), Tom MacArthur (N.J.), Kevin Yoder (Ky.), Barbara Comstock (Va.), Erik Philip Paulsen (Minn.) and Fitzpatrick. Six others — Curbelo, Love, Don Bacon (Neb.), Chris Collins (N.Y.), Randy Hultgren (Ill.) and Rodney Davis (Ill.) — are in races rated as "Lean Republican."

Some greens argue that all Republicans, even Curbelo, should be voted out, pointing to the South Florida Republican's vote in favor of the tax bill that opened up the Arctic National Wildlife Refuge to drilling. (Curbelo joined 11 other Republicans in [a letter](#) opposing that provision in the bill).

"It would be a good thing if the caucus shrinks, and then either establishes membership criteria or withers on the vine," said RL Miller, founder of the super PAC Climate Hawks Vote, which backs candidates advocating aggressive climate action. "[Curbelo] has shown no ability to bring along other Republicans, so why not replace him with a more reliable pro-climate vote?"

But a more common view is the voices of those like Curbelo and Fitzpatrick are essential if Congress is ever to enact durable policies to address climate change.

"[Losing them] would be really bad," Inglis said. "We're holding our breath that some of our climate champions make it through and that people in their districts step them into 'solutionville' and out of the ditches."

*To view online [click here](#).*

[Back](#)

## **EPA to revisit Obama mercury rule with eye on use of co-benefits [Back](#)**

By Alex Guillén | 08/29/2018 05:29 PM EDT

EPA will reconsider a key justification for the Obama administration's 2012 mercury rule for power plants, the agency confirmed today, a move that could lead to a repeal of the regulation that contributed to the closure of many old coal-fired power plants.

Spokeswoman Molly Block said the agency will send a draft proposal soon to the Office of Management and Budget for review. EPA's proposal will reconsider the so-called appropriate and necessary finding, an early part of the rulemaking process where the Obama-era EPA justified the need to issue the regulation.

The Supreme Court struck down EPA's original finding in 2015, although the rest of the rule survived legal challenges and the court allowed it to remain in effect. The Obama administration issued an updated version of the finding that addressed the high court's ruling.

Also under reconsideration are the underlying mercury standards themselves, according to Block. Though utilities paid for and installed pollution controls to meet the regulation years ago, critics have suggested they could reduce operating expenses for coal-fired power plants if the rule were repealed and the controls turned off.

"EPA knows these issues are of importance to the regulated community and the public at large and is committed to a thoughtful and transparent regulatory process in addressing them," she said.

The mercury rule, known as the Mercury and Air Toxics Standard or the utility MACT, has been a longtime target of the coal industry because it contributed to the shutdown a significant swath of coal plants, since many of the nation's oldest and dirtiest plants could not justify paying for expensive mercury controls.

Challengers like Murray Energy — the Ohio coal company whose owner, Bob Murray, has met several times with President Donald Trump and his cabinet — complained that the rule relied heavily on "co-benefits" from



reduced particulate matter pollution instead of the limited quantifiable benefits from reduced mercury emissions.

"One of a number of issues EPA is assessing in the context of the appropriate and necessary analysis is whether and how to account for co-benefits," Block said in an email.

The major utility industry groups in July urged EPA against revoking the mercury rule because many utilities need the rule in place to justify recovering potentially billions of dollars in costs under ongoing state-level rate cases. At least one Republican, Sen. Lamar Alexander (R-Tenn.), has echoed that call.

After the Obama administration issued its updated "appropriate and necessary" finding in 2016, Murray and several states sued, arguing that EPA cannot rely on co-benefits to justify its regulations. The Obama EPA argued that it had other justifications beyond a direct cost-benefit comparison.

The court put that lawsuit on hold last year after EPA said it was reviewing the matter. Separately, EPA is considering changing the rules governing its cost-benefit analyses, including potentially discounting such co-benefits, a move that would make many future regulations harder to rationalize.

Once OMB receives the proposal, its review likely will take 60-90 days, Block said. That would place the rule's public release in November or December.

Bloomberg first reported on EPA's plans on Wednesday.

*To view online [click here](#).*

[Back](#)

## **U.S. reaches trade deal with Canada and Mexico, providing Trump a crucial win [Back](#)**

By Adam Behsudi, Alexander Panetta and Doug Palmer | 09/30/2018 10:47 PM EDT

Trade ministers from the U.S., Mexico and Canada have reached a deal to revamp the North American Free Trade Agreement, the Trump administration announced late Sunday night.

The new pact, which is being called the U.S.-Mexico-Canada Agreement, is a major step toward completing one of Trump's signature campaign promises and gives the president a concrete policy win to tout on the campaign trail this fall. It also sets the stage for what is sure to be a high-stakes fight to get the agreement passed by Congress before it can become law.

The Trump administration already formally notified Congress at the end of August of its plans to sign a new pact and faced a deadline of the end of September to provide a draft of the agreement.

U.S. Trade Representative Robert Lighthizer said in late August that officials are planning to sign with their Canadian and Mexican counterparts by the end of November — a date that would also satisfy Mexico, which is eager to have current President Enrique Peña Nieto sign the deal before his successor takes over Dec. 1.

"It's a great win for the president and a validation for his strategy in the area of international trade," a senior administration official said on a call with reporters late Sunday.

People briefed on the outlines of a revamped deal described changes in language governing dairy imports, dispute resolution between countries, limits on online shopping that can be done tax free, and limits on the U.S. threat of auto tariffs.

"It's a good day for Canada," Prime Minister Justin Trudeau said as he left the office late Sunday night. He said he would save other comments for an official announcement on Monday.

A formal vote in Congress won't be held until 2019, and it is still an open question whether lawmakers — including members of the president's own party who have often clashed with him on trade — will fall in line to support the deal.

Republicans are expected to pay close attention to the final details regarding dispute settlement and intellectual property issues, while Democrats will likely be looking for stricter labor and environmental standards.

Lawmakers from both parties, along with powerful business and industry groups, are also examining whether new provisions, such as stricter automotive rules, may end up making life more difficult for domestic companies rather than easier.

A senior administration official highlighted the "great result" on dairy issues that was achieved. The pact opens up the Canadian dairy market to U.S. exports at a level higher than the 3.25 percent market share the Obama administration negotiated under the Trans-Pacific Partnership.

The official also said that Canada agreed to eliminate a recent milk-ingredient pricing program that U.S. farmers complained had dried up demand for their exports of the product.

In exchange, Canada was able to preserve dispute settlement language. Canada has historically insisted on an international panel to judge whether the U.S. improperly uses duties as a commercial weapon.

Canada also agreed to an "accommodation" to its auto exports in response to tariffs Trump is expected to impose on vehicle imports for national security reasons, the senior administration official said. That arrangement will likely involve Canada agreeing to a side deal that would restrict its auto exports to a level well above the current volume of trade that flows south of the border, sources close to the talks said.

Lighthizer had hoped to reach an agreement by the end of 2017, a timeline that was extended until the end of March. The three nations failed to make that deadline but have been meeting almost continuously in Washington since as they sought to reach compromises on issues that have been both technically and politically challenging for all three countries.

Now, depending on the outcome of November's midterm elections, control of the House of Representatives may well turn over to Democrats, who may have little incentive to work with a president from the opposite party to ratify a deal that they may not like.

One strategy that circulated earlier this year was a plan to force a vote by withdrawing from the existing NAFTA agreement before the new one takes effect — thus forcing members of Congress to choose between the renegotiated deal or no deal at all.

Trump indicated last month that he would pursue such tactics, telling reporters in the Oval Office that he would "be terminating the existing deal and going into this deal."

Several prominent lawmakers, however, expressed cautious optimism with the new pact.

"Maintaining a trilateral North American deal is an important prerequisite to preserving and extending those gains and the Trump administration has achieved that goal," said Sen. Orrin Hatch (R-Utah), chairman of the Senate Finance Committee. "I look forward to reviewing this deal to confirm it meets the high standards of Trade Promotion Authority."

Under the TPA, Congress will take a straight up-or-down vote without amendments. Those rules also have a series of other steps that also must be followed before the deal can be passed.

Even without congressional approval, having the preliminary deal in hand will give the administration and vulnerable Republicans up for reelection at least the skeleton of a policy achievement to use on the trail.

Officials have said that changes made to automotive rules to increase the amount of content that must be sourced from within NAFTA countries should play well in manufacturing states concerned about the offshoring of jobs.

Meanwhile, leading congressional Democrats say they're not yet convinced that the new deal represents a significant shift from past trade policies that have rarely earned their support.

"The bar for supporting a new NAFTA will be high," said Rep. Richard Neal (D-Mass.), the ranking member on the House Ways and Means Committee.

Democrats and their backers in labor unions and environment groups will be looking for a deal they feel can be adequately enforced in terms of upholding worker rights and environmental protections.

Sen. Ron Wyden (D-Ore.) said the ability of the deal to enforce those provisions will be a "crucial test" for a new agreement.

The country's largest organized labor group also stressed that it will be studying the labor language closely.

"The text we have reviewed, even before the confirmation that Canada will remain part of NAFTA, affirms that too many details still need to be worked out before working people make a final judgment on a deal," AFL-CIO President Richard Trumka said in a statement.

It remains unclear at this point what the preliminary deal means for the steel and aluminum tariffs the Trump administration has put in place as well as the retaliatory duties Canada and Mexico imposed. Many industry sources and others close to the talks have long expected that reaching a deal would lead the U.S. to lift the tariffs, a move that would lead Canada and Mexico to follow suit.

A senior U.S. administration official said a possible exemption for Canada remains on a separate track from the broader trade negotiations and there was no agreement yet on that issue.

Mexican Economy Secretary Ildefonso Guajardo said in late August that those tariffs — as well as Mexico's retaliatory duties on \$3 billion in U.S. products like agricultural goods — would be enforced until the countries are closer to signing an agreement later this year.

*Sabrina Rodriguez and Megan Cassella contributed to this report.*

*To view online [click here](#).*

[Back](#)

## Supreme Court to take on tadpoles and tailings in new term [Back](#)

By Alex Guillén | 09/26/2018 05:02 AM EDT

The Supreme Court will begin its new term on Monday with several high-profile environmental cases that delve into the federal government's powers to protect endangered species and regulate mining.

The very first case of the term looks at the controversial Endangered Species Act, and could shrink the federal government's ability to set aside land and restrict development. And in early November, Virginia will defend its decades-old uranium mining ban from a company seeking to tap reserves worth billions of dollars.

The Supreme Court will also hear a gas tax case with potentially hundreds of millions of dollars in revenue for states at stake. Here's a guide to those cases, as well as pending challenges to keep an eye on.

### ENDANGERED SPECIES ACT

**The case:** [17-71](#), *Weyerhaeuser Company v. Fish and Wildlife Service*

**Oral arguments:** Oct. 1

This case challenges the reach of the Endangered Species Act at the same time the Interior Department is taking action to scale back certain parts of the law.

At issue is the Fish and Wildlife Service's 2012 designation of critical habitat for the endangered [dusky gopher frog](#), a wart-covered amphibian that's believed to number less than 135 adults, most living around one pond in Mississippi. In addition to those occupied Mississippi areas, FWS listed 1,544 acres of the species' historic habitat in Louisiana, where it hasn't been spotted since 1965, but which FWS says will be important if the species is going to recover.

Timber giant Weyerhaeuser and other tenants of the affected Louisiana lands argue that the frog cannot return there because the conditions won't allow it to reproduce, and in the meantime, the company could suffer up to \$34 million in lost development opportunities. FWS disagreed, arguing that reasonable restoration efforts could make the area capable of supporting a frog population.

A split three-judge panel on the 5th Circuit Court of Appeals upheld FWS's decision, saying that the agency had reasonably concluded that the currently occupied habitat alone would not ensure the frog's conservation. The full 5th Circuit rejected a rehearing request by a close 6-8 decision, with the dissenting judges arguing that "the ramifications of this decision for national land use regulation and for judicial review of agency action cannot be underestimated."

The Trump administration is defending the decision, [arguing](#) that FWS "properly determined" the Louisiana land is critical for the frog's conservation. That has put environmentalists in the unusual position of backing up the Trump administration.

"The way the provision has been applied throughout its entire history, what the Fish and Wildlife Service did here is not at all revolutionary," said Bill Snape, senior counsel for the Center for Biological Diversity, which filed a brief supporting the Trump administration's defense.

Snape said that the dispute in this case was focused on specific scientific facts, but an adverse ruling could mean revisiting conservation plans for other species. The ruling will also be scrutinized for signs that the Supreme Court appears willing to limit the ESA in future cases.

Given the timing of the case, Supreme Court nominee Brett Kavanaugh — should he be confirmed by the Senate — will not have time to be seated for oral arguments.

If the court were to deadlock 4-4, the justices could wait for Kavanaugh to be seated and have the case re-argued with the full nine-justice court. That happened for several cases upon the arrival of Justice Neil Gorsuch in 2017, including one in which Gorsuch sided with the court's liberal wing to strike down a law allowing the government to deport immigrants who commit violent crimes.

Snape said the potential for Kavanaugh to join this case made him more "nervous" about the outcome because Kavanaugh frequently ruled against species protections in cases before the District of Columbia Circuit.

"I think the [FWS] behaved well here and has a strong leg to stand on, but I definitely am paranoid the court has something up its sleeve," Snape said.

While the high court mulls this habitat issue, Republicans are pursuing administrative and legislative changes to ESA as well.

The Interior Department in July floated several key changes to how it administers ESA, including the listing and critical habitat designation processes, protections extended to species listed only as threatened, and the consultation process for other agencies to properly consider ESA when writing regulations.

And the House Natural Resources Committee holds a hearing on Wednesday on a package of nine ESA-related bills touching on "take" permits, state input on designations, petition backlogs, habitat in water diversion areas and more. The ESA has long been a target of Chairman Rob Bishop (R-Utah), who said in 2017 that he "would love to invalidate" the law.

## URANIUM MINING

**The case:** 16-1275, *Virginia Uranium, Inc. v. Warren*

**Oral arguments:** Nov. 5

The fight over Virginia's 36-year-old legislatively enacted ban on uranium mining highlights a power struggle between the states and the federal government.

The ban is under attack from Virginia Uranium, which owns a deposit of 119 million pounds of ore in Pittsylvania County worth about \$6 billion. The company has pointed to the Atomic Energy Act to argue that nuclear-related activities are supposed to be overseen by the federal government, so Virginia lacks the power to ban uranium mining.

The Trump administration sided with the mining company, arguing that "Congress has entrusted such nuclear-safety regulation exclusively to the federal government."

Nils Diaz, a former Republican NRC chairman who sat on the commission from 1996 to 2006, agreed that the Nuclear Regulatory Commission should be in charge of uranium mining. He joined 13 other former senior NRC officials in a brief this month urging the court to side with the company.

The NRC "actually can provide a more uniform, consistent and much better program for the protection of public health and safety" by regulating uranium mining instead of the states, Diaz said in an interview.

The Supreme Court in 1983 weighed in on federal nuclear preemption in a case that helps guide this dispute. The unanimous ruling, related to an effective ban in California on new nuclear power plants, concluded that the

AEA preempts state law on any matters specifically regulated under the federal law, such as nuclear plant safety and radiological protections.

Virginia has conceded that its uranium mining ban was motivated by concerns about tailings harming groundwater, but the state successfully argued in the lower courts that its motivation doesn't matter. The Atomic Energy Act doesn't tell the NRC to regulate conventional uranium mining, and thus cannot preempt Virginia's ban, according to the state.

"There is no doubt that Congress could regulate uranium mining directly or limit States' ability to do so. But Congress has not enacted such a law," Virginia wrote in a brief.

Ten other states — as politically diverse as Texas, Massachusetts, Hawaii and Indiana — teamed up to support Virginia, arguing that the AEA doesn't explicitly override states' authority to regulate uranium mining and that broadening the law's preemption language to cover any activity related to nuclear power would be a major overreach.

This case could provide a hint at where the Supreme Court is heading on the federal-state power dynamic as California and other states are preparing to enact more stringent environmental rules than the federal government on issues such as auto emissions.

"Preemption is going to be more testy as we go on, at least for a while, because we do have states, particularly dealing with climate change, that are really looking to pick up the mantle and run with it," said Sidney Shapiro, a law professor at Wake Forest University who joined a legal scholars' brief supporting Virginia.

"What scared me was this idea that the court would continue this agenda of sort of aggrandizing federal power to block states that want to protect their citizens," he added.

## **GAS TAX EXEMPTION**

**The case:** 16-1498, *Washington State Department of Licensing v. Cougar Den, Inc.*

**Oral arguments:** Oct. 30

Washington State is hoping to persuade the Supreme Court to overturn a state court's decision exempting an Indian-owned business from paying tens of millions of dollars in taxes over fuel it imports into the state and sells.

The fuel wholesaler, Cougar Den, successfully cited a provision from an 1855 treaty with the U.S. that guarantees free travel on public highways for trade to avoid paying the state's gas tax. The Washington Supreme Court ruled last year that the provision is read broadly to exempt the company from paying gas taxes, even if the fuel isn't imported via a highway.

"Nothing in the Yakama Treaty justifies creation of this expansive new right to avoid taxes on goods simply by transporting them by highway," Washington wrote in a brief. The Trump administration is backing Washington state, and has asked to be given some argument time of its own.

## **PENDING PETITIONS TO WATCH**

Here are some of the energy cases pending on the court's docket to keep an eye on. The court could decide whether to hear some of these cases as early as this week; others could be pending for months.

**Groundwater:** A deep divide has grown among appellate courts over the past year in cases relating to whether pollution traveling from an industrial site through groundwater to a river or lake should be covered under the

Clean Water Act. Two cert petitions are sitting before the Supreme Court stemming from cases out of the 9th and 4th Circuits that found liability for pollution that originated from an underground injection well and a gasoline pipeline and ultimately made its way to larger downstream bodies of water.

But in recent weeks three new decisions out of the 4th and 6th Circuit Courts have cut the other direction. On Monday, the 6<sup>th</sup> Circuit Court of Appeals overturned a decision that would have required the Tennessee Valley Authority, the country's largest public utility, to move a massive amount of coal ash. And in a related decision, the court upheld a lower court's decision finding that the Clean Water Act did not cover coal ash leaks from a Kentucky Public Utilities site, although it did rule that the utility could be liable under a separate cleanup law.

The legal issue has drawn attention as the cases have percolated up through appellate courts. Eighteen largely Republican attorneys general and business groups like the U.S. Chamber of Commerce joined the 6<sup>th</sup> Circuit cases on the side of utilities, while four blue state attorneys general joined environmental groups. Former Solicitor General Paul Clement, a much-sought-after Supreme Court litigator, argued the Kentucky case. The cases are: 18-260, *County of Maui v. Hawai'i Wildlife Fund*, and 18-268, *Kinder Morgan Energy Partners v. Upstate Forever*.

**More uranium mining:** The Supreme Court will likely decide soon whether to take up a challenge to the Obama administration's 2012 moratorium on new uranium mining claims on a million acres around the Grand Canyon. The moratorium has been upheld by the lower courts and the Trump administration continues to defend the decision. 17-1286, *National Mining Association v. Zinke*.

**HFCs:** Manufacturers Honeywell and Chemours have asked the Supreme Court to reverse a 2017 District of Columbia Circuit opinion (coincidentally, written by Judge Kavanaugh before his Supreme Court nomination) striking down a key part of an Obama administration rule phasing out hydrofluorocarbons, a potent greenhouse gas used as a coolant in refrigerators and air conditioners. Kavanaugh would be expected to recuse himself if he were to be on the high court that hears the appeal. 17-1703, *Honeywell v. Mexichem*.

**Wind turbines:** The justices asked the Trump administration to weigh in on a dispute over wind turbine construction on tribal lands. The 10th Circuit Court of Appeals ruled that a wind farm developer needed a mineral lease from the Osage Nation in addition to permits from Interior because the process of anchoring a wind turbine qualifies as "mining" under federal law. The Trump administration likely will file its brief later this year. 17-1237, *Osage Wind v. Osage Minerals Council*.

**Superfund:** Oil company Atlantic Richfield has asked the Supreme Court to review a Montana Supreme Court decision allowing residents to pursue their own state-law claims against the company for damages related to a Superfund site it owns, the Anaconda copper smelter. The company, which has already spent hundreds of millions of dollars cleaning up the site under EPA's direction, argues that federal law bars local residents' lawsuits from interfering with Superfund cleanups. 17-1498, *Atlantic Richfield Co. v. Christian*.

**Lead paint:** Paintmakers Sherwin-Williams and ConAgra are appealing a California court's order that they pay as much as \$730 million in damages related to ads dating back more than a century that did not reveal the health risks of lead paints. Many companies are now concerned that if the judgment is upheld, they could be held liable for their advertising decades from now if a product turns out to have been potentially hazardous. 18-84, *ConAgra Grocery Products Co. v. California*.

*Annie Snider contributed to this report.*

*To view online [click here](#).*

[Back](#)

## **EPA confirms removal of head of children's health office** [Back](#)

By Annie Snider and Alex Guillén | 09/28/2018 05:22 PM EDT

EPA has confirmed that the head of its Office of Children's Health Protection has been put on administrative leave while the agency reviews "allegations" about her leadership.

"Although EPA does not customarily comment on personnel matters, due to circulating misinformation, the Director of EPA's Office of Children's Health Protection was placed on leave to give the Agency the opportunity to review allegations about the Director's leadership of the office," EPA Chief of Staff Ryan Jackson said in a statement.

Ruth Etzel, a pediatrician and public health specialist who has headed the EPA office since 2015, was removed from her post Tuesday, the New York Times first [reported](#). In an email sent to the head of a nonprofit, Etzel called herself the "fall guy" for an effort to "disappear" the children's health office and said that EPA leaders had been conducting "guerilla warfare" against her office for 5 months, [according](#) to BuzzFeed News.

Prior to joining EPA, Etzel worked at the World Health Organization's Department of Public Health and Environment in Geneva from 2009-2012, according to her [biography](#) at George Washington University, where she lectures on environmental health. Before that, she served as a commissioned officer in the U.S. Public Health Service, working out of various agencies, including the Centers for Disease Control and Prevention, the Agriculture Department and the Indian Health Service.

*To view online [click here](#).*

[Back](#)

## **Bishop offers warning shot ahead of Senate LWCF markup** [Back](#)

By Anthony Adragna | 09/27/2018 05:04 AM EDT

The key architect of a bipartisan House bill to permanently reauthorize the Land and Water Conservation Fund has a warning for his Senate counterparts: Don't expect to turn the program into an entitlement.

Making spending from the fund mandatory — as envisioned in a bipartisan Senate bill — would "probably blow it up in the House," Natural Resources Chairman [Rob Bishop](#) (R-Utah) said Wednesday. The Senate Energy and Natural Resources Committee is scheduled to mark up an LWCF reauthorization bill next Tuesday.

The popular conservation program uses revenue from offshore oil and gas drilling to protect and preserve national parks, forests and recreation areas. It will expire Sept. 30, a few days after the House is set to adjourn until after the election without acting on the bill introduced by Bishop and his ranking member, [Raúl Grijalva](#) (D-Ariz.), [H.R. 502 \(115\)](#). Their bill would require money from the fund to be distributed through annual appropriations bills, unlike a bipartisan counterpart in the Senate.

LWCF supporters typically prefer mandatory funding for the program because they say Congress chronically shortchanges it — creating a growing backlog of projects — and because the appropriations cycle has been so



unpredictable. Bishop and other Republicans, meanwhile, are skeptical of mandatory spending because they do not want to give up lawmakers' ability to exercise oversight on how the government spends its money.

When the House pair unveiled their bill earlier this month, Grijalva said he was willing to compromise on the mandatory spending aspect to get Bishop on board with a permanent reauthorization for the fund.

After the program's authorization expires Sunday, oil and gas companies will stop paying into the fund, but unspent funds already collected can still be doled out.

The agenda for next week's Senate committee markup has not been finalized but is expected to include S. 569 (115), the LWCF reauthorization bill introduced by Sen. Maria Cantwell (D-Wash.) with 47 cosponsors, including six Republicans. Energy Chairwoman Lisa Murkowski (R-Alaska), who also chairs the Appropriations subcommittee responsible for the Interior Department, is not a co-sponsor of the bill but has voiced support for moving a reauthorization before the end of the year.

Senators are staying mum about their disagreements with Bishop over whether LWCF should be subject to mandatory or discretionary appropriations, and supporters of Cantwell's bill have largely stopped short of endorsing the House version. A spokesperson for Sen. Richard Burr (R-N.C.), a co-sponsor of Cantwell's bill, declined to comment on the dispute. Sen. Steve Daines (R-Mont.) another co-sponsor, "believes permanent reauthorization and full funding are both critical to the program's success in Montana and the rest of the nation," a spokeswoman said.

Outside groups, including the League of Conservation Voters, plan to keep pushing for a full, dedicated funding approach for LWCF contained in Cantwell's bill as the two chambers seek to iron out a final deal in the lame duck, said Alex Taurel, LCV's conservation program director.

Bishop said he is confident lawmakers will be able to reach a deal in the lame-duck session.

"We will solve the problem before the end of the year," he said. "Whether it's Sept. 30 or Dec. 1 doesn't make a damn bit of difference."

Backers, though, say it can take years to get projects executed and the uncertainty about future funding could delay their completion or prevent them from getting off the ground.

"For folks inside the beltway like Bishop it may seem like an artificial deadline, but I think for folks on the ground when they hear congressional gridlock... that level of uncertainty does have real impact and may pervade the process and slow things down at the local level," Jonathan Asher, senior representative for government relations with the Wilderness Society, told POLITICO. "We're a little behind the eight ball right now. We wish this could have gotten wrapped up before the end of authorization."

While the fund's pending expiration has not been much of an issue in this year's midterm election campaigns, environmental advocates and some Democrats blame Republicans for being in this position.

"If LWCF expires, I think there's going to be a lot of blame to go around," Taurel said. "Republican supporters, particularly in the House, haven't pushed their leaders hard enough to save this program."

A spokeswoman for Interior Secretary Ryan Zinke said "the Secretary absolutely supports permanent reauthorization." He added in a tweet last week he's "hopeful for reauthorization."

The deal reached by Bishop and Grijalva would ensure 40 percent of LWCF funds go state grants and 40 percent go to federal programs.

That measure cleared the House Natural Resources Committee, but Bishop now hopes to pair it with other bills as part of a lame-duck lands package. The lame-duck deal is likely to include another compromise bill, [H.R. 6510 \(115\)](#), that would create a dedicated funding source to address billions in the maintenance backlog on the nation's public lands, but Democrats fear the Utah Republican will attempt to add other controversial measures that would cost their support.

The Senate Energy and Natural Resources Committee markup is also expected to include legislation addressing the national parks maintenance backlog, [S. 3172 \(115\)](#).

There remain numerous question marks about how the process will proceed. Murkowski may see the parks maintenance and LWCF package as an opportunity to advance her long-stalled energy bill, [S. 1460 \(115\)](#).

One thing that is clear: A group of dedicated Senate LWCF backers, led by Burr, won't let up in their quest to get the program reauthorized.

"It's unfortunate that we are here today," Burr said Wednesday. "[But] I believe we will ultimately win this fight because our colleagues know this is the right thing to do ... We're going to be relentless."

It's not clear what Burr's next move will be — Senate leaders are poised to press on with consideration of a broad water resources package, [S. 3021 \(115\)](#), even if he drags out the procedural hurdles — but he could opt to hold up other legislation. Asher said "predicting Senator Burr is always a risky venture" but expected he would "intelligently put pressure where the best leverage point would be."

*To view online [click here](#).*

[Back](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---

Message

---

**From:** POLITICO Pro Energy Whiteboard [politicoemail@politicopro.com]  
**Sent:** 8/29/2018 8:11:00 PM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** EPA watchdog to issue Pruitt security report next week

By Alex Guillén

08/29/2018 04:09 PM EDT

EPA's Office of Inspector General will issue its report on former EPA Administrator Scott Pruitt's security detail on Tuesday, Sept. 4, the OIG said today.

The scope of the report is unclear. The OIG was looking into several aspects of Pruitt's security detail, including the increase in its spending compared to previous administrators, especially spending related to first-class travel, as well as Pruitt's use of the detail on personal trips such as family vacations to Disneyland and the Rose Bowl.

This will be one of the OIG's first official reports on Pruitt's activities. Multiple probes were launched earlier this year to review a litany of allegations against him, and have continued following his July resignation.

**WHAT'S NEXT:** EPA'S Office of Inspector General said it will release the report on the morning of Sept. 4.

*To view online:*

<https://subscriber.politicopro.com/energy/whiteboard/2018/08/epa-watchdog-to-issue-pruitt-security-report-next-week-1837827>

**You received this POLITICO Pro content because your customized settings include: Energy: EPA. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

## POLITICOPRO

This email alert has been sent for the exclusive use of POLITICO Pro subscriber, gunasekara.mandy@epa.gov. Forwarding or reproducing the alert without the express, written permission of POLITICO Pro is a violation of copyright law and the POLITICO Pro subscription agreement.

Copyright © 2018 by POLITICO LLC. All rights reserved. To subscribe to Pro, please go to [politicopro.com](http://politicopro.com).

---

This email was sent to gunasekara.mandy@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

---

Message

---

**From:** POLITICO Pro Energy [politicoemail@politicopro.com]  
**Sent:** 11/9/2018 10:47:56 AM  
**To:** Gunasekara, Mandy [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=53d1a3caa8bb4ebab8a2d28ca59b6f45-Gunasekara,]  
**Subject:** Morning Energy: How House Democrats will tackle climate oversight — Judge halts Keystone XL over climate change — A game of congressional musical chairs

[View online version](#)

# MORNINGENERGY

11/09/2018 05:45 AM EDT

---

By KELSEY TAMBORRINO ([ktamborrino@politico.com](mailto:ktamborrino@politico.com), [@kelseytam](#))

---

*With help from Zack Colman, Annie Snider and Helena Bottemiller Evich*

**GAVEL GAZING:** Another Democratic congressman is pointing to climate change as the top item on his agenda when the House changes hands next year. New York Rep. [Paul Tonko](#), who's expected to wield the gavel at the Energy and Commerce Committee's environment panel, tells Pro's Eric Wolff that he's looking to turn up the oversight of the Trump administration, and that his goal would be to ensure "the top priority will be a bold response to climate change," he said.

But Tonko also echoes what POLITICO has [previously reported](#): The prospects of the party moving any climate change legislation under the Trump administration are slim. "Being realistic, it may be tough for legislation to be approved by this administration, but there are many acts to building a legislative agenda. We'll be looking into an agenda that would advance efficiency, grid modernization, and maybe rolling it into a larger infrastructure bill that addresses both improving resilience for adaptation and investing in our infrastructure with issues like [electric vehicle] charging deployment," he tells Eric. Read the [full interview](#).

That's the latest promise from Democrats to turn the spotlight back to climate change, and comes after House Minority Leader Nancy Pelosi said last month ahead of the midterms that she planned to resurrect a committee dedicated to addressing climate change. Bloomberg cited sources on Thursday confirming that committee would return after Republicans shut it down 11 years ago. And New Jersey Democrat Frank Pallone said recently he'll examine the impacts of climate change on communities and the economy if he takes the chairmanship at the Energy and Commerce Committee.

**OVERNIGHT NEWS: JUDGE HALTS KEYSTONE XL OVER CLIMATE CHANGE:** A federal judge ordered both the Trump administration and TransCanada to stop any work on the controversial Keystone XL pipeline on Thursday night, saying President Donald Trump's approval of the project last year violated several key environmental and administrative laws by ignoring facts about climate change.

Judge Brian Morris of the U.S. District Court for Montana ruled that the Trump administration almost completely ignored climate change in its analysis supporting the pipeline's construction, a shift that unlawfully reversed the Obama administration's 2015 decision rejecting the pipeline's cross-border permit. Alex Guillén has the details here for Pros.

**THE FOX AND THE INTERIOR SECRETARY:** Interior Secretary Ryan Zinke reached out to Fox News about possibly working with the channel as a contributor, sources familiar with the move told POLITICO's Ben Lefebvre and Eliana Johnson. Sources also say the secretary is seeking positions on energy company boards of directors or even with private equity firms. However, another source told POLITICO a contract with Fox is unlikely unless Trump asks Rupert Murdoch, who owns Fox's parent company News Corp., and there's no indication that Fox has so far expressed any interest in putting Zinke on the air.



Interior Secretary Ryan Zinke talks with a television news photographer. (Photo by Chip Somodevilla/Getty Images)

**WELCOME TO FRIDAY!** I'm your host, Kelsey Tamborrino. Natural Gas Supply Association's Charlie Riedl was first to correctly name Sam Houston as the one prior to Mitt Romney who most recently served as senator for one state and governor of another. Houston served as a senator from Texas and governor of Tennessee. For today: Who is the former senator who has both an honorary Oscar and a star on the Hollywood Walk of Fame? Send your tips, energy gossip and comments to [ktamborrino@politico.com](mailto:ktamborrino@politico.com), or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning\\_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

**Join POLITICO on Nov. 14** for special editorial conversations at The Salute to Military Spouses, a half-day summit to raise awareness of the challenges and contributions of these unsung heroes. As the exclusive media partner of the summit, POLITICO journalists will provide firsthand insight and intelligence on timely political and policy issues facing the military and military spouses. Topics include improving the financial stability of military families and using tech to tackle the high unemployment rate of military spouses. RSVP [here](#).

## ON THE HILL

**MUSICAL CHAIRS:** The midterm elections have set off a mad scramble for new committee assignments in Congress. Several sources tell ME rumors are swirling that Sen. [Maria Cantwell](#) could vacate her ranking member slot on the Energy and Natural Resources Committee to take that role on the Commerce Committee if Sen. [Bill Nelson's](#) [recount bid](#) fails. "There's an understanding among the

staff" of her interest, a former Senate aide said, noting she has fishermen, ports, telecommunications, Boeing, Amazon, tech and a whole array of other interests in her state that the Commerce committee oversees.

Cantwell leaving the Energy committee could elevate Sen. Joe Manchin to the ranking member role on the Energy committee, which would not be a welcome development to the environmental groups that poured millions into the midterms to help elect Democrats. Manchin has more consistently voted with Republicans than Democrats on an array of environmental and climate issues, including key Trump administration nominees.

Ana Unruh Cohen, who is managing director of government affairs with the Natural Resources Defense Council, said she had "heard the speculation" but added it's "a little premature" considering Nelson is still fighting for his seat. "Manchin is a senior member of Energy and Natural Resources Committee but there could be other senators who decide to move if there are other openings."

That's why some sources have suggested Sen. Debbie Stabenow may be asked to relinquish her ranking member position on the Agriculture Committee. She outranks Manchin on Energy and is more aligned with the rest of the party on those issues. Stabenow has significant parochial interest in Agriculture — her state is a big player there — but she is also close to getting a massive farm bill across the finish line and could oversee electric vehicles on Energy. "There is pressure on Stabenow to finish farm bill in the lame duck so that she could more easily make the transition to Energy," an energy industry source said.

When reached for comment, a Stabenow spokesperson said, "It's obviously too early to comment since there are Senate races still undecided, however Senator Stabenow is committed to continuing to serve as ranking member of the Senate Ag committee." The Energy and Natural Resources Committee declined comment to ME.

**SCIENTIFIC METHOD:** A number of Democratic candidates with scientific backgrounds were among this week's winners who will head to the House, "creating a new bloc of lawmakers who will bring their technical and analytical prowess to help conduct oversight of an administration often accused of being at war with science," Pro's Anthony Adragna reports.

Among Tuesday's winners: South Carolina's Joe Cunningham, a former ocean engineer; Elaine Luria, a nuclear engineer, from Virginia; Sean Casten, a clean energy entrepreneur, from suburban Chicago; and Chrissy Houlahan, a business executive with an engineering degree, from the Philadelphia suburbs. "Each of them will offer new and unique insights into solving the challenges our nation faces every day," said Rep. Eddie Bernice Johnson, the ranking member of the Science Committee, who added she hopes they consider joining the panel.

**HASC GOES GREEN?** Washington Rep. Adam Smith launched a bid for chairman of the Armed Services Committee on Thursday, pledging to "advance green technology in defense." The lawmaker detailed his bid for the gavel in a letter to fellow House Democrats, Pro Defense's Connor O'Brien reports. Smith wrote: "We must look to eliminate inefficiency and waste at the DOD; ... protect our environmental laws nationwide; advance green technology in defense; [and] take substantial steps to reduce America's overreliance on nuclear weapons."

## IN THE COURTS

**KIDS' CLIMATE CASE ON HOLD:** The 9th Circuit Court of Appeals halted the sweeping climate change lawsuit brought by children and young adults against the federal government on Thursday, saying a lower court must hold off for now on a trial, Alex reports. Following last week's Supreme Court lifting of a temporary stay of the trial, the three-judge panel of the 9th Circuit said Thursday the Trump administration "raises issues that warrant an answer." The Circuit Court directed lawyers representing the children to file a reply by Nov. 23.

**SCOTUS MAKES QUICK WORK ON WATER QUESTION:** The Supreme Court is poised to make a quick decision on whether or not to weigh in on a major fight over whether the Clean Water Act applies to pollution like coal ash that flows through groundwater before reaching rivers and streams. After briefing wrapped up Monday for the two pending *certiorari* petitions relating to the issue, the high court swiftly placed the petitions on the calendar for its Nov. 30 conference. With appellate courts split on the issue, which has major implications for coal-fired power plants, pipelines and a variety of other industries, many lawyers expect it could be ripe for Supreme Court review.

And another high court hopeful is waiting in the wings. A Montana man criminally convicted of violating the Clean Water Act by diverting a creek and building ponds on his land and in a neighboring national forest has appealed his case to the Supreme Court. The case, brought by the property rights group Pacific Legal Foundation on behalf of Joseph Robertson, could offer the high court a chance to tackle fundamental questions about how far the 1972 water law's protections reach — potentially years before a court battle over the Obama administration's Waters of the U.S. regulation and its potential Trump administration successor can reach it.

**JURY: TVA CONTRACTOR ENDANGERED WORKERS:** A jury in U.S. District Court this week ruled in favor of workers who were sickened, many fatally, while cleaning up the nation's largest coal ash spill, the Knoxville News Sentinel reports. The spill occurred in December 2008 at the Tennessee Valley Authority Kingston fossil fuel power plant, where more than 30 workers died and more than 250 were left sick or dying, the Knoxville News reports. The workers sued global contractor Jacobs Engineering, which TVA put in charge of cleaning up the mess.



Jurors ruled Jacobs failed to adhere to its contract with TVA and failed to "exercise reasonable care" in keeping workers safe, thus likely causing the poisoning by coal ash. The Knoxville News Sentinel previously reported workers at the plant were told not to wear masks, and were told by safety managers at the site to destroy the existing masks.

## AROUND THE AGENCIES

**POLAND-U.S. LNG DEAL SIGNED:** Poland's state oil and gas company PGNiG signed a long-term contract Thursday to receive LNG deliveries from the United States. The deal comes as Trump pushes for European nations to buy LNG from the U.S. rather than increase their dependence on Russia. The signing sets into motion a 24-year deal with American supplier Cheniere.

While Energy Secretary Rick Perry was in Warsaw to attend the deal's signing, he also said the U.S. could still impose sanctions related to the building of the Russian-backed Nord Stream 2 pipeline, Reuters reports. Asked at a news conference whether companies working on the project face sanctions, Perry said: "I saw no signals where we would ever get to the point where we can support Nord Stream 2," before adding, "sanctions were an option that the president maintained." The Energy secretary today will visit the Swinoujscie LNG Import Terminal, the entry point of LNG into Poland, the department said.

**AD CALLS FOR ZINKE RESIGNATION:** Western Values Project will unveil today a nearly \$30,000 ad campaign in Zinke's home state of Montana that calls for the secretary's resignation. The Montana-based conservation group will run full-page newspaper ads on Sunday highlighting investigations into Zinke's ethics. The ads will run across seven Montana newspapers. WVP also recently launched [www.hasryanzinkebeenfiredyet.com](http://www.hasryanzinkebeenfiredyet.com) to keep tabs on the secretary.

## BEYOND THE BELTWAY

**NEW YORK STARTS BID FOR OFFSHORE MEGAWATTS:** New York state is officially requesting 800 megawatts of offshore wind to supply electricity within state lines, Pro New York's Marie French reports. "NYSERDA [on Wednesday] issued the request for proposals, which had been eagerly awaited by the industry. The solicitation includes requirements for project labor agreements, or that workers be paid prevailing wage," Marie writes. New York Gov. Andrew Cuomo previously set a goal of getting 2,400 megawatts of electricity from offshore wind by 2030.

**HOW DO YOU SOLVE A PROBLEM LIKE NUCLEAR RETIREMENT?** The Union of Concerned Scientists is warning against the closure of nuclear plants in a new report out this week that outlines how more than one-third of the U.S. nuclear fleet is set to close. The UCS analysis says that early nuclear retirements do not pose a threat to the nation's electricity reliability and resilience, as the

Trump administration has argued. Instead, the group argues the real risk is that fossil fuels could replace the nuclear plants.

"Nuclear power plants are being squeezed economically at a time when we need every source of low-carbon power we can get to replace retiring coal plants and prevent an overreliance on natural gas," Steve Clemmer, co-author and director of energy research and analysis at the science advocacy group, said in a statement. The average cost of bringing unprofitable nuclear plants to the break-even point is \$814 million per year, the analysis found.

## MOVERS AND SHAKERS

**John McCarrick's last day** at the State Department is today. McCarrick served as deputy assistant secretary at the department's Bureau of Energy Resources.

## QUICK HITS

- "California moves to replace gas plants with batteries from Tesla," [Bloomberg](#).
- "Fuel providers warn about heating supplies on cold weather outlook," [Reuters](#).
- "U.S. crude closes in bear market territory, settling at \$60.67, down 21 percent from 52-week high," [CNBC](#).
- "New wind and solar generation costs fall below existing coal plants," [Financial Times](#).
- "NantEnergy acquires Sharp's U.S. energy systems & services," [PV magazine](#).
- "Chevron stayed in Venezuela long after rivals quit. It's having second thoughts," [The Wall Street Journal](#).

## HAPPENING TODAY

8:30 a.m. — The National Academy of Sciences [discussion](#) on "Sexual Harassment of Women: Climate, Culture, and Consequences in Academic Sciences, Engineering, and Medicine," 2101 Constitution Avenue NW.

12:30 p.m. — Johns Hopkins University Paul H. Nitze School of Advanced International Studies [discussion](#) on "Modeling Electricity Markets with Optimization: Why It's Important (and Fun)," 1619 Massachusetts Avenue NW.

**THAT'S ALL FOR ME!**

[View online](#)

**You received this POLITICO Pro content because your customized settings include: Morning Energy. To change your alert settings, please go to <https://subscriber.politicopro.com/settings>**

---

**POLITICOPRO**

---

**This email was sent to [gunasekara.mandy@epa.gov](mailto:gunasekara.mandy@epa.gov) by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA**

---